Jaywing

2018

Annual report

JAYWING

Contents

About Jaywing

Jaywing is a data science-led agency and consulting business, with a marketing technology division and growing international presence.

Our agency has two core propositions: performance marketing and brand-led marketing.

Our data science consultancy helps clients do smart things with their data for marketing or risk.

Our marketing tech is branded Jaywing Intelligence.

Jaywing uses advanced data science innovatively and deep specialist knowledge collaboratively to deliver more powerful outcomes for its clients.

Our innovations

2018 saw the launch of our patent pending Artificial Intelligence (AI) product Archetype. Archetype generates statistical models that typically outperform the best hand-built models by at least 10% and is the first AI product to overcome regulatory concerns in credit risk, that have until now prevented the use of AI in credit scoring.

Jaywing's AI consulting service offers specialist support to organisations to define, develop and integrate their use of AI.

Our services

Marketing agency:
performance, brand-led

Data science consultancy:
marketing, risk, data management, business intelligence

Technology:
martech, regtech, risktech, datatech

Our marketing agency awards this year include Large Integrated Agency, Best Search Agency and a Cannes Corporate award.

Our business model

Highly collaborative culture and operating model: 'One Jaywing'.

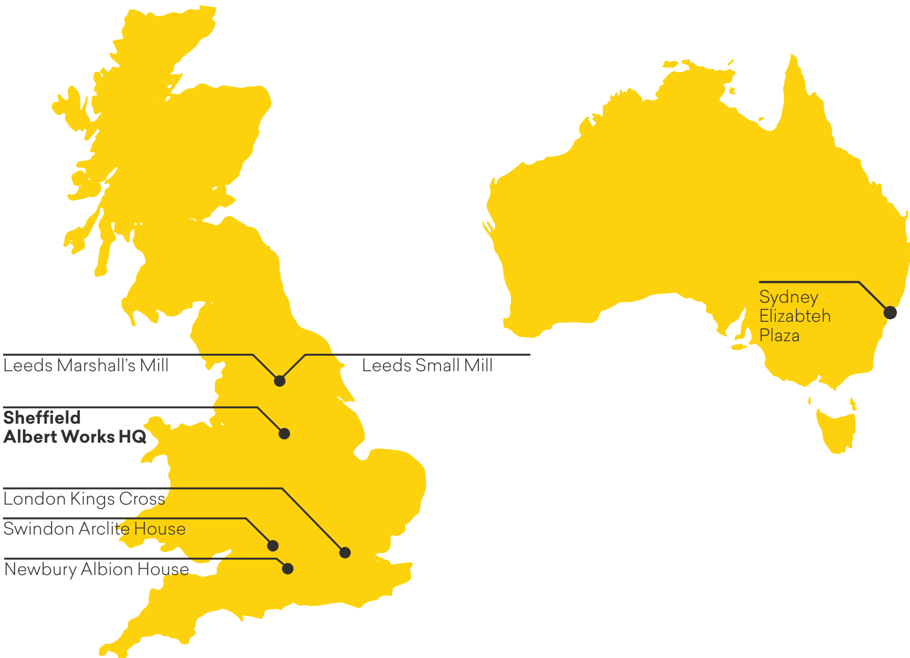
650+ people.

1 in 10 is an experienced data scientist.

Focus on sales: 68% of our top 50 clients buy more than one of our services.

Growing presence internationally with our business in Australia. Australian revenues are expected to account for 10% of total revenues in the next year.

One Jaywing delivering broader contracts from the outset.



Our locations

Our locations across the UK and in Australia's burgeoning market allow us to service a wide range of clients, as well as giving us broad access to the right talent to support them. This year has also seen us named "Most Inspiring Place to Work" for our Sheffield HQ.

Our clients

We work across a diverse range of vertical markets including financial services, travel and leisure, retail, entertainment, utilities, telecommunications, education, cultural, legal, automotive and FMCG, sharing best practice where we find it and creating it where we don't.

We have developed new client relationships and renewed and expanded our services with a number of leading clients, some of them globally.

Financial Highlights from Continuing Operations

Revenue **£47.54m** (2017: £44.54m)	Gross profit* **£36.72m** (2017: £35.98m)	Adjusted EBITDA** **£3.03m** (2017: £4.86m)	Adjusted EBITDA margin*** **8.2%** (2017: 13.5%)
(Loss)/profit after tax **(£1.13m)** (2017: £2.98m)	Basic EPS on adjusted EBITDA# **3.2p** (2017: 5.6p)	Basic EPS **(1.25p)** (2017: 3.42p)	Net debt **(£5.92m)** (2017: (£3.53m))

Highlights:

- Acquired Frank Digital PTY to continue growth and development in Australia
- Secured new international contracts
- Launched new AI powered products including Archetype and Decision
- Revenue increased by 6.7% (6.3% increase on a like-for-like basis)
- Gross profit increased by 2.0% (3.1% reduction on a like-for-like basis)
- Re-aligned cost base in response to challenging market conditions
- Reduced loss before tax
- Increased collaboration across Jaywing with 68% of our top 50 clients taking more than one of our service lines

Outlook:

We have started the year with good new business wins from larger clients where we clearly demonstrated the value of our integrated 'One Jaywing' approach in a competitive process.

Whilst there is still caution in the UK market, we believe we are well positioned to achieve our market expectation, especially with the continued growth in Australia enhanced by our most recent acquisition.

Commenting on the results, Martin Boddy, Chairman of Jaywing, said:

"After four consecutive years of growth fuelled by a strong data science-led proposition, we have endured a period of challenging market conditions in the UK. We have taken the necessary actions to recover our EBITDA margin going forward, whilst ensuring that we still have the necessary resources to grow our client base so we can return our EBITDA to previous levels by the financial year ending March 2020.

Despite these challenges, it has been a year of progress in terms of expanding our fast-growing Australian operation through the acquisition of Frank Digital, plus we have launched innovative technology incorporating the use of Artificial Intelligence for clients in the UK and beyond.

Clients are increasingly looking for more data, digital and technology focused agencies and consultancies with collaborative operating models. This is very much the sweet spot for Jaywing, so we remain excited and optimistic about our future potential."

* Revenue less direct costs of sale
** Before share based charges, exceptional items and acquisition related costs
*** As a percentage of gross profit
\# Following issue of shares for Frank Digital acquisition

Chief Executive's Report

Data science has never been more important to our customers and our marketplace. Jaywing operates in three main ways: as a consultancy, an agency and following the launch of Jaywing Intelligence, a technology business. Our skill is to combine these three disciplines to create solutions that our competition cannot match and our clients find indispensable.

Our collaborative 'One Jaywing' operating model is the essential foundation on which the broad range of specialist skills across Jaywing can be brought together to build innovative solutions that deliver superior results for our clients.

As a company that has been championing this operating model for many years now, it has been interesting to see that the large network agencies are beginning to talk about adopting a similar model. Our experience shows us that this transition isn't easy but we continue to realise its benefits and saw a further 2% increase (from 66% to 68%) in the number of our top 50 clients taking more than one of our service lines. This broader relationship with clients is also improving client retention as we become more valuable to them across a variety of disciplines.

I'm pleased to say that our operating model was once again recognised in the Prolific North Awards where Jaywing was awarded the Best Integrated Agency title for the second year in a row. It was also endorsed by Palo Alto based SugarCRM, one of the world's largest CRM software providers, who recently awarded us their global marketing account that will involve work across a number of our divisions.

A challenging first year

My first year as CEO started with a great deal of optimism throughout the Company on the back of record Q4 trading the previous year. However, market conditions for UK B2C businesses deteriorated markedly after the election in June 2017 and this impacted on several of our clients. The knock-on effect was that our own trading suffered. Consequently, instead of focusing on accelerating our growth, a great deal of my time has had to be devoted to realigning our cost base. This is never an easy task in a people business and we have been mindful not to impact our ability to return to and exceed previous levels of growth and profitability by cutting costs too deeply.

Whilst like-for-like gross profit was only down by 3% on the previous year, EBITDA fell to £3,025k resulting in a higher net debt position of £5.9m at the year end. Our bank has been very supportive throughout the period and has agreed to re-structure our facilities, which will now run until 2021 and will give us the necessary headroom whilst our profitability recovers.

State of play

Agency Segment

Our Agency Segment generated gross profit of £15.3 million (up 6% on previous year) and EBITDA of £2.3 million (down 13% on previous year, primarily due to change in mix of business). Following the delay in spend that we experienced with one of our major FMCG clients, we have reduced our exposure to this sector by re-focusing parts of our Agency segment on more sustainable revenues and creating broader relationships with larger clients. This is evidenced by new wins including Center Parcs and Berghaus as well as continued engagements with companies including Castrol Oil and first direct.

Media & Analysis Segment

Our Media and Analysis Segment generated gross profit of £21.4 million and EBITDA of £6.0 million for the financial year ended March 2018, a decrease of 1% and 18% respectively on the previous financial year. Over recent months our performance marketing division has seen an improvement in its sales performance with a stronger pipeline both in terms of the number and quality of opportunities (the majority of which are for monthly recurring revenues). This follows us being named Search Agency of the Year at the UK Agency Awards in September 2017. As well as a focus on new business, we have worked hard to reduce client churn and this year saw a 55% reduction in lost clients, ensuring more repeat revenue streams in the coming years.

Our consulting division, grounded in data science, continues to be at the heart of the work we deliver for clients. The level of insight given by our consultants ensures that work delivered by other parts of Jaywing is informed and relevant. Our consultancy team is a key element of our 'One Jaywing' model and new clients adopting more integrated solutions are generating new revenues across both Agency and Media & Analysis segments.

A large part of the revenues in the consulting division are project based, albeit with long-standing clients. Work on one of our larger financial services projects is being scaled down following the completion of a successful project spanning 17 months and the focus now is on securing new work for that team of people. This has been supported by the creation of a number of new technology solutions plus new propositions for GDPR and IRB (Internal Ratings Based), which are helping grow our sales pipeline.

Technology

Our technology brand, Jaywing Intelligence, continues to generate high levels of interest with a number of innovative new products launched. Applications such as Almanac, which takes complex sets of customer data to bridge the gap between on-line and offline behaviour, has been adopted by brands including Mazda UK and Swinton Insurance, to more accurately deliver their marketing spend and to understand how to tailor their activity to meet their customers' needs. We also launched our AI powered risk modelling solution Archetype (patent pending) this year, which is generating interest in the Credit Risk community.

Our paid search management platform - Decision (also built on AI principles and technology) - has begun to secure new clients and is currently being integrated into our existing performance marketing operation, which will provide a strong point of differentiation in the market.

Finally, our consulting services in credit risk have been enhanced by technology with the creation of the Echelon application for improving the speed of credit applications and Horizon which allows lenders to quickly model their Expected Credit Loss (ECL) IFRS9 requirements. Both of these tools, which have recently been launched, are generating new opportunities in our sales pipeline.

International

Following our acquisition of Digital Massive in Australia in 2016 (now re-branded as Jaywing), our Australian operation has continued to go from strength to strength in a very active market. Revenues grew by 42% this year and we expect Australia to represent 10% of our overall income in the year ahead.

Even with the geographic and time differences, our Australian business fully integrates with our UK operations and services a variety of shared clients including Anytime Fitness, Wedgwood Worldwide and now SugarCRM.

We further expanded our overseas operations with the acquisition of Frank Digital in Sydney, which is a great complement to our existing operations and brings with it strong digital development skills, a quality management team and relationships with large clients that we are presenting our 'One Jaywing' solution to. Frank Digital now operates from our offices in North Sydney.

Outlook

We believe that our integrated operating model and challenger brand approach position us well in the medium term as we target our return to previous levels of performance and this has been endorsed by the quality of recent client wins since the start of the new financial year. Our focus is on delivering for our clients, retaining and growing our client base, managing our overheads carefully to underpin our recovery and playing to our strengths with data science at the core of all we do.

With so much disruption in the large agency networks and traditional service models being challenged, I believe we are ideally placed to capitalise on our integrated approach. Whilst UK market conditions may remain unhelpful in the short term, we are well positioned to achieve our market expectation, which will give us the exit rate to get back to previous levels of profitability the following year.

Rob Shaw
Chief Executive Officer
Jaywing plc

9th July 2018


LVNU 270000 0
22G1
2.6m
8'6"

Chairman's Statement

Whilst the well-publicised adverse market conditions have impacted Jaywing during the financial year, we have nevertheless made good progress in a number of areas.

We launched a suite of Artificial Intelligence (AI) based products and have strengthened our fast-growing Australian business with the acquisition of Frank Digital. We also gained a social audiences platform through the acquisition of Head Offfice, which has now been fully integrated. Over and above all of that, we have produced some exceptional work, which has delivered exceptional results for our clients and has involved many innovative applications of data science.

As I have previously explained, trading conditions in the UK have been challenging on a number of fronts following the election in June 2017. We saw a 3% reduction in like-for-like gross profit (GP) during the year. Consequently, a far greater focus has been placed on cost management, particularly in the second half of the year. On a more positive note, in recent months it has been encouraging to see a marked improvement in our sales pipeline, some excellent new business wins and lower levels of client churn.

Looking more broadly at our sector, it is hard to remember a period where there has been such turbulence.

Digital media has been in the headlines for all the wrong reasons. Ads appearing alongside unsavoury YouTube content led to several brands pausing their spend until the problem was fixed. The lack of transparency in programmatic media buying undertaken by the global agency networks came under scrutiny with brands, such as P&G, taking that function in house. Then there was the Cambridge Analytica episode concerning their use of Facebook data, which coincided with GDPR coming into force.

The network agency model has come under pressure with WPP in the spotlight. Too great a focus on traditional advertising, opaque charging practices, lack of client focus and competition from management consultancies have led to a number of these agency groups launching new strategies. The common themes here are to adopt a more client centred and collaborative operating model with a single P&L and to place a greater focus on data, digital and technology.

So, what does this all mean for Jaywing?

We have been operating a "One Jaywing" model for the past five years and understand that this is not just about managing a matrix and incentivising through a single profit measure; it's about creating a truly collaborative culture internally and in our relationships with clients. We have a transparent charging model and are focused in data science, digital marketing and technology, the spend for all of which is predicted to grow, albeit perhaps more slowly in the UK in the next year or so. In general, we don't work for large multi-national clients who have the resources to create in-house teams and we don't find ourselves competing with the management consultancies, indeed we sometimes work alongside them to provide specialist skills. GDPR has been and will continue to be an opportunity for us as clients recognise the importance of working with a partner who understands both data and how to create positive engagements with consumers.

So, there is good opportunity for Jaywing in the medium term but the near-term focus is to recover after a difficult period of trading that has created financial constraints for us to manage within and put on hold our plans for further acquisitions and paying a dividend.

Our objective is to exit the current financial year (ending March 2019) at a run rate that puts us back on our original track for the following year. We anticipate that market conditions in the UK may not improve markedly in the short term but feel that with a realigned cost base, differentiated proposition, and strong growth in Australia, we will achieve our market expectation.

Our colleagues - the "Jaywingers" - are a resilient, talented and optimistic bunch and on behalf of the Board, I would like to thank them all for their continuing support, hard work and enthusiasm.

Martin Boddy
Chairman
Jaywing plc

9th July 2018

Strategic Report

Business review

Gross profit grew by 2% to £36.7m, an increase of £0.7m from the prior year (2017: £36.0m). If the impact of acquisitions is excluded, there was a reduction of 3%, from £33.5m to £32.4m. The adjusted operating performance line, before interest, tax, depreciation, amortisation, impairment, share-based payment charges, loss before tax on disposal, exceptional items and acquisition related costs, shows EBITDA of £3.0m (2017: £4.9m).

The consolidated cash flow statement shows Jaywing to have generated cash from operating activities of £1.4m (2017: £3.9m) after changes in working capital. This is shown in the table below.

	2018 £'000	2017 £'000
(Loss) / profit after tax	**(1,133)**	(2,981)
Adjustments for:		
Depreciation, amortisation and impairment	**2,588**	5,140
Movement in provision	**(22)**	6
Foreign exchange	**(39)**	16
Financial expenses & income	**203**	32
Share-based payment expense	**238**	1,141
Taxation charge	**(83)**	43
Changes in working capital	**(208)**	482
Operating cash flow after changes in working capital	**1,544**	3,879

A loss after tax of £0.6m has been generated (2017: £3.0m). The prior financial year was impacted by the impairment in the carrying value of goodwill in our Contact Centre.

We incurred £0.3m of one-off costs from the acquisition of Frank Digital, which is included within the loss after tax.

Jaywing continues to be cash generative from operating activities as shown in the table. Net debt has increased from the prior year by £2.4m and is now £5.9m (2017: £3.5m). This follows deferred consideration payments of £2.4m during the year.

Banking facilities comprise a term loan for £3.0m, a revolving credit facility for £3.5m and a bank overdraft of £2.0m. There was headroom of £2.6m at the year end. As noted in the Chief Executive's statement, the facility has been re-structured after the year end.

The business operates in three segments: Agency Services, Media & Analysis and Central Costs. The segmental performance of our business in these practice areas is shown in *note 1* to the Consolidated Financial Statements, together with the comparative performance from the previous year.

The Media and Analysis segment, which represents just under 60% of total Gross Profit saw a 1% reduction from £21.6m to £21.4m. EBITDA fell by 18% from £7.3m to £6.0m. The Agency Services segment has grown gross profit, which has increased by 6%. However EBITDA has reduced by 13%, impacted by the mix of work.

The table below shows the adjusted operating profit of Jaywing analysed between the two half years and adjustments made against the reported numbers:

	Full year to 31 March 2018 £'000	Six months to 31 March 2018 £'000	Six months to 30 September 2017 £'000
Reported loss before tax	**(1,216)**	(633)	(583)
Interest	**203**	124	79
Amortisation	**2,033**	1,023	1,010
Depreciation	**555**	301	254
Share based payment charge	**193**	(85)	278
Acquisition related costs	**827**	511	316
Exceptional costs	**494**	348	146
Adjusted operating profit	**3,089**	1,589	1,500
Deduct other income	**(64)**	(18)	(46)
Adjusted operating profit before other income	**3,025**	1,571	1,454

Excluding other income, Jaywing produced £1.6m adjusted operating profit after interest in the six months to 31 March 2018 and £1.4m in the first half.

The table below shows the trend of gross profit and EBITDA over the last four six-monthly periods:

Continuing business EBITDA	Six months to 31 March 2018 £'000	Six months to 30 Sept 2017 £'000	Six months to 31 March 2017 £'000	Six months to 30 Sept 2016 £'000
Revenue	24,075	23,466	23,642	20,895
Direct costs	(5,195)	(5,631)	(4,779)	(3,781)
Gross profit	18,880	17,835	18,863	17,114
Operating expenses excluding depreciation, amortisation, exceptional items, acquisition related costs and (credit)/ charges for share based payments	(17,309)	(16,381)	(16,135)	(14,982)
Operating profit before depreciation, amortisation, exceptional items, acquisition related costs and (credit)/ charges for share based payments	**1,571**	**1,454**	**2,728**	**2,132**

Impairment

As required by IAS 36, we have carried out an impairment review of the carrying value of our intangible assets and goodwill. We calculated our weighted average cost of capital with reference to long-term market costs of debt and equity and the Company's own cost of debt and equity, adjusted for the size of the business and risk premiums. Based on this calculation, a rate of 11.5% (2017: 10.6%) has been derived. This is applied to cash flows for each of the business units using growth rates in perpetuity of 2% from 2020/21. As a result of these calculations, the Board has concluded that no impairment is required (2017: £2.9m).

Dividend policy

As noted in the Chairman's Statement, we have delayed implementing a dividend policy.

Key performance indicators

Over the last 12 months, the key areas of focus have been:

- Increased collaboration
- Cost reduction
- International expansion
- Technology development

Progress against these is described in the Chief Executive's report on *page 7*.

Principal risks and uncertainties

The principal risks and uncertainties of the Company are outlined on *page 18*.

By order of the Board.

Michael Sprot
Chief Financial Officer
Jaywing plc

9th July 2018

Board of Directors

Ian Robinson (71)
Deputy Chairman

Ian is currently Non-executive Deputy Chairman of Jaywing plc. He is also a Non-executive Director of Gusbourne plc, an AIM listed English sparkling-wine business; a Non-executive Director of TLA Worldwide plc, an AIM listed athlete representation and sports marketing business; Non-executive Chairman of LT Pub Management plc, a privately-owned pub and leisure asset management business; and a Director of a number of other privately-owned businesses. Ian has previously held a number of other senior financial appointments both in the UK and overseas. He is a Fellow of the Institute of Chartered Accountants in England & Wales, having trained with Peat, Marwick, Mitchell & Co (now KPMG) in London.

Philip Hanson (61)
Non-executive Director

Philip has extensive experience in marketing and e-commerce both in the UK and internationally, having held a number of senior roles in the FMCG and retail financial services sectors - latterly as Global Marketing & e-commerce Director for Travelex.

Philip is also Non-executive Director of the Bettys & Taylors Group. He is a Director of the French and Australian entities of the Goelet family wine business (SCEA Domaine de Nizas and Red Earth Nominees Pty Ltd respectively). He was a Director of Travelex Card Services Ltd until December 2015.

Mark Carrington (34)
Non-executive Director

Mark is a Fellow of the Association of Chartered Certified Accountants. He is a Non-executive Director of a number of privately-owned businesses both in the UK and Overseas. Mark is also involved in the provision of management services to a number of other privately-owned and AIM quoted businesses. Mark is a Non-executive Director of Political Holdings Limited US and Shutdown Maintenance Services Limited. Mark is also the Non-executive Chairman of Devonshire Club Limited and Devonshire Club (Holdings) Limited.

Rob Shaw (47)
Chief Executive

Rob has over 25 years' experience in the technology sector, particularly in the fields of digital and search marketing. Initially working in software development, Rob was responsible for the management of some of the UK's largest application developments, including the O2 mobile billing platform and the Student Loans system during his time as IT Director for Ventura, part of Next PLC. Before becoming Jaywing's CEO, Rob was the CEO of Epiphany Solutions Limited, which was recognised as one of the fastest growing digital marketing agencies in the UK, with headcount rising from 26 to over 160 during his time as CEO. Epiphany was acquired by Jaywing plc in March 2014. Previously he was Managing Director of Latitude White, and Technology Director of the Latitude Group. Rob is a Non-executive Director for Run for All, which was established by the late Jane Tomlinson CBE.

Martin Boddy (53)
Executive Chairman

Martin was previously Marketing Director of Guardian Royal Exchange Group and a member of the senior marketing team that launched first direct. He went on to spend a number of years consulting on customer marketing in the UK and internationally before founding data analytics consultancy Alphanumeric Limited, now part of Jaywing plc, in 1999. Most recently, he was CEO at Jaywing plc.

Michael Sprot (38)
Chief Financial Officer

Michael joined the Company in February 2013 as Group Financial Controller and Company Secretary. Prior to joining Jaywing, he was Head of Commercial Finance at Vasanta Group, a multi-channel distributor of business supplies and services. Michael also gained experience of central and local government through his work at learndirect and South Yorkshire PTE after gaining his ACA qualification from PricewaterhouseCoopers (now PwC) in Sheffield. He was appointed CFO in July 2015.

Adrian Lingard (46)
Chief Operating Officer

Adrian joined Jaywing from first direct in 2000 and has spent his career understanding how to use data and decision science across a wide range of business problems and opportunities and in a wide range of market sectors. Having headed up Jaywing's Consulting business from 2010 to 2015, he has considerable commercial management and planning experience and handles many of Jaywing's large-scale contract negotiations.

Adrian started out at Yorkshire Bank and has broad banking and lending experience, having since worked with most of the UK's high street banks advising Senior Executives, Boards and Credit Committees on the use of data, insight, models and reporting to meet regulatory requirements and improve business performance. His experience further extends across Jaywing's key sectors.

Advisers

Auditor
Grant Thornton UK LLP
2 Broadfield Court
Sheffield
S8 0XF

Nominated adviser and broker
Cenkos Securities plc
6.7.8 Tokenhouse Yard
London
EC2R 7AS

Registrars
Link Asset Services
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Solicitors
FieldFisher LLP
5th Floor Free Trade Exchange
37 Peter Street, Manchester
M2 5GB

Registered office
Albert Works
71 Sidney Street
Sheffield
S1 4RG

Registered number: 05935923
Country of incorporation: England

Principal Risks and Uncertainties

General economic and business conditions

The sector in which the Group operates is sensitive both to general economic and business conditions and has been affected, along with others, by the performance of specific sectors such as financial services and retail.

The leave vote in the European referendum has created a great deal of uncertainty in the economy and this is likely to continue until the Brexit negotiations are successfully concluded. This may lead to delays or reductions in the marketing spend of some clients.

People

The operations of the Group are dependent upon the continuing employment of a number of senior management personnel. The future of the Group could depend upon the efforts and expertise of such individuals. The loss of the service of any key management personnel could have a material adverse effect on the business of the Group. As the Group operates in a specialised sector, it is dependent on its ability to recruit personnel with adequate experience and technical expertise. However, as the supply of such personnel is limited, the Group encounters significant competition for the recruitment of suitably experienced and skilled personnel. The future results of the Group could depend significantly upon the recruitment of such personnel and a failure to do so could have a material adverse effect on the business of the Group.

To mitigate this risk, the Group's management team continues to move toward a cohesive culture, driven by its desire to remain a place where people want to work. In addition, Martin Boddy and Andy Gardner retain a significant percentage of their original consideration in shares in Jaywing plc. Furthermore, the key managers in our business participate in the Performance Share Plan share options programme and the Annual Bonus Programme, both of which reward performance and loyalty to the Group (*see Directors' Remuneration Report*).

Clients

The Group has three main contractual relationships with its client. Contracts of between six months and five years (typically 12 – 18 months) with monthly recurring revenues, contracts for specific projects, and framework agreements typically for a three-year term but with no commitment from the client to spend. The focus has been to increase the proportion of recurring revenues and the intention is to continue to increase this. To mitigate the risk of clients on framework agreements reducing or suddenly halting their spend, a well-structured and experienced account management function is in place who keep close to the clients. Client concentration risk is low.

Competition

The Group faces competition from a wide range of entities, including specialist digital agencies, operating independently or as part of a global marketing group, consultancies, data bureaux and outsourcers. Each area of the Group has its own set of competitors against which it regularly pitches. In addition, there are an increasing number of opportunities that require a collective response. Over recent years we have achieved good conversion rates for both types of opportunity.

In a highly competitive market such as the UK, it is important to have some competitive advantage and ours comes in the form of data science led services and our collaborative approach. We have been able to leverage this very successfully in the Media & Analysis segment and are working to create more differentiation through the use of data science in our agency segment, where we face the most fierce competition.

Suitable acquisitions and access to capital

The Group's plans for continued expansion are based on organic growth and a selective and strategic acquisition policy. The availability of debt or equity finance to fund future acquisitions may be limited or difficult to obtain. The Group has developed and maintains good relationships with investors and the bank.

Execution

The ability of the Group to deliver incremental revenues through co-ordinated new business activity is dependent on the availability of key senior personnel to help convert leads and cross-refer business. The new business team works together in a collaborative style, with a joined-up relationship management approach.

Products and services

The digital marketing industry is characterised by constant change in terms of technology, online media and data. In this environment, it is vital to be at the forefront of this change otherwise it is easy to get left behind and experience falling demand for outdated products and services. The Group's future success will depend on its ability to adopt new technology, exploit new online media and harness the power of the new data sets.

The Group is committed to innovating in data science-led products and services and is actively dedicating resources to this. We have close relationships with online media owners (Google, Microsoft, Sky, etc.) and we get early sight of their new product developments as a consequence of the significant online media budgets that we manage on behalf of our clients. We have a strong team focused on the use of technology whose brief is to keep themselves abreast of new developments through their own research and through their relationships with technology providers.

Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements for the year ended 31 March 2018.

Principal activity

The principal activity of the Company, and Group, during the year under review is that of digital marketing services.

Results and dividend

The Group's loss before taxation for the year ended 31 March 2018 was £1.2 million (2017: £2.9 million). The Directors do not propose to pay a dividend.

Future developments

The future developments of the Group are referred to in the Chief Executive's Report on *page 7* and the Strategic Report on *page 13*.

Going concern

The Directors have reviewed the forecast up to September 2019, which has been adjusted to take account of the current trading environment. The Directors consider the forecasts to be prudent and have assessed the impact of them on the Group's cash flow, facilities and headroom within its banking covenants. Furthermore, the Directors have assessed the future funding requirements of the Group and compared them with the level of available borrowing facilities. Based on this work, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Political donations

No political donations were made during the year (2017: £Nil).

Directors' interests

The present membership of the Board, together with biographies on each, is set out on *page 16*. All those Directors served throughout the year or from appointment. The Directors' interests in shares in the Company are set out in the Directors' remuneration report on *page 23*.

Directors' third-party indemnity provisions

The Group maintains appropriate insurance to cover Directors' and Officers' liability. The Group provides an indemnity in respect of all the Group's Directors. Neither the insurance nor the indemnity provides cover where the Director has acted fraudulently or dishonestly.

Employees

The Group is an Equal Opportunities Employer and no job applicant or employee receives less favourable treatment on the grounds of age, gender, marital status, sexual orientation, race, colour, religion or belief.

It is the policy of the Group that individuals with disabilities, whether registered or not, should receive full and fair consideration for all job vacancies for which they are suitable applicants. Employees who become disabled during their working life will be retained in employment wherever possible and will be given help with any necessary rehabilitation and retraining.

Employees of the Group and its subsidiaries are regularly consulted by local managers and kept informed of matters affecting them and the overall development of the Group.

The Group is committed to maintaining high standards of health and safety for its employees, customers, visitors, contractors and anyone affected by its business activities. Health and safety is on the agenda for all regularly scheduled Board meetings.

Financial instruments

Details of the financial risk management objectives and policies of the Group, including hedging policies, are given in *note 33* to the consolidated financial statements.

Share capital

Details of the Company's share capital, including rights and obligations attaching to each class of share, are set out in *note 21* of the consolidated financial statements.

There are no restrictions on the transfer of ordinary shares in the capital of the Company, other than customary restrictions contained within the Company's Articles of Association and certain restrictions which may be required from time to time by law, for example, insider trading law. In accordance with the Model Code, which forms part of the Listing Rules of the Financial Services Authority, certain Directors and employees are required to seek the prior approval of the Company to deal in its shares.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights. The Company's Articles of Association contain limited restrictions on the exercise of voting rights.

The Company's Articles of Association may only be amended by special resolution at a general meeting of shareholders. The Company is not aware of any significant agreements to which it is party that take effect, alter or terminate upon a change of control of the Company following a takeover.

Major interests in shares

As at 1 July 2018, the Company had been notified, in accordance with chapter 5 of the Disclosure and Transparency Rules, of the following voting rights as shareholder of the Company:

	Number of voting rights	2018 %	2017 %
Lombard Odier Investment Managers Group	24,990,932	**26.8**	26.3
Lord Michael Ashcroft	23,919,737	**25.6**	24.7
Hargreave Hale Limited	5,513,000	**5.9**	5.2
J & K Riddell	5,372,638	**5.8**	6.2
A Gardner	5,034,470	**5.4**	5.7
M Boddy	5,016,667	**5.4**	5.7
Miton UK Microcap Trust PLC	3,569,249	**3.8**	5.2
H & J Spinks	3,508,772	**3.8**	4.0

Corporate social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take account of the interests of the Group's stakeholders, including its investors, employees, suppliers and business partners when operating the business.

Annual General Meeting

Your attention is drawn to the Notice of Meeting enclosed with this Annual Report, which sets out the resolutions to be proposed at the forthcoming Annual General Meeting.

Auditor

Each of the Directors at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The auditor, Grant Thornton UK LLP, has indicated its willingness to remain in office, and a resolution that it be re-appointed will be proposed at the Annual General Meeting.

By Order of the Board

Michael Sprot
Director
Jaywing plc

9th July 2018

Directors' Remuneration Report

This report is prepared voluntarily by the Board. We are not required to comply with the UK Corporate Governance Code ("the Code"). However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the Code we consider to be relevant to the Group.

The Remuneration Committee

During the year the Remuneration Committee comprised:

- Philip Hanson (Chairman)
- Ian Robinson
- Mark Carrington (appointed 27 February 2018)

The Code recommends that a remuneration committee should be composed of entirely independent Non-executive Directors. Ian Robinson and Mark Carrington (who are both affiliated with a major shareholder) are not regarded as independent under the Code. The Board does consider them to act independently with respect to remuneration issues.

The Committee met four times during the year. All meetings were attended by all serving members of the Committee.

The Committee seeks input from the Company Secretary. The Committee makes reference to external evidence of pay and employment conditions in other companies and is free to seek advice from external advisers.

Remuneration policy

The Group's policy on remuneration for the current year and, so far as is practicable, for subsequent years is set out below. However, the Remuneration Committee believes that it should retain the flexibility to adjust the remuneration policy in accordance with the changing needs of the business. Any changes in policy in subsequent years will be detailed in future reports on remuneration. The Group must ensure that its remuneration arrangements attract and retain people of the right calibre in order to ensure corporate success and to enhance shareholder value. Its overall approach is to attract, develop, motivate and retain talented people at all levels, by paying competitive salaries and benefits to all its staff and encouraging its staff to hold shares in the Group. Pay levels are set to take account of contribution and individual performance, wage levels elsewhere in the Group and with reference to relevant market information. The Group seeks to reward its employees fairly and give them the opportunity to increase their earnings by linking pay to achieving business and individual performance targets. The Board believes that share ownership is an effective way of strengthening employees' involvement in the development of the business and bringing together their interests and those of shareholders. Executive Directors are rewarded on the basis of individual responsibility, competence and contribution and salary increases also take into account pay awards made elsewhere in the Group as well as external market benchmarking.

During the year to 31 March 2018 there were five Executive Directors on the Board in the roles below:

Martin Boddy (Executive Chairman)
Andy Gardner (Chief Strategy Officer) (resigned 25 April 2018)
Michael Sprot (Chief Financial Officer)
Rob Shaw (Chief Executive)
Adrian Lingard (Chief Operating Officer)

The Executive Directors participate in a pension scheme but do not participate in any healthcare arrangements.

Performance-related elements form a part of the total remuneration packages and are designed to align Directors' interests with those of shareholders. In line with best practice and to bring Directors' and shareholders' interests further into line, Executive Directors and the management team are encouraged to maintain a holding of ordinary shares in the Company.

Non-executive Directors' fees

Fees for Non-executive Directors are determined by the Board annually, taking advice as appropriate and reflecting the time commitment and responsibilities of the role. The Deputy Chairman receives an annual fee of £50,000. Non-executive Directors' fees currently comprise a basic fee of £30,000 per annum.

Non-executive Directors do not participate in the annual bonus plan, pension scheme or healthcare arrangements. The Company reimburses the reasonable expenses they incur in carrying out their duties as Directors.

Remuneration components – Executive Directors

A proportion of each Executive Director's remuneration is performance related. The main components of the remuneration package for Executive Directors are:

i. Basic salary

ii. Annual bonus plan

iii. Share options

Basic salary

Basic salary is set by the Remuneration Committee by taking into account the responsibilities, individual performance and experience of the Executive Directors, as well as the market practice for executives in a similar position. Basic salary is reviewed (but not necessarily increased) annually by the Remuneration Committee.

Annual bonus plan

The Executive Directors are eligible to participate in the annual bonus plan. The range of award is based on annual salary.

The performance requirements, for the ability to earn a bonus, are set by the Committee annually and are quantitative related measures based on stretching profit before tax targets.

Share options

The Committee believes that the award of share options aligns the interests of participants and shareholders. Awards are made to the Executive Directors with demanding performance criteria.

Directors' remuneration

The total amounts of the remuneration of the Directors of the Company for the years ended 31 March 2018 and 2017 are shown below:

31 March	2018 £	2017 £
Aggregate emoluments	**1,190,912**	944,256
Sums paid to third parties for Directors' services	**2,500**	40,000
	1,193,412	984,256

The emoluments of the Directors are shown below:

31 March	2018 Fees and salary £	2018 Benefits in kind £	2018 Bonus £	**2018 Total £**	2017 Total £	**2018 Gain on exercise of share options £**	2017 Gain on exercise of share options £	**2018 Pension contri-butions £**	2017 Pension contri-butions £
Martin Boddy	179,104	-	17,000	**196,104**	200,104	**-**	-	**20,000**	20,000
Andy Gardner^	190,000	-	15,000	**205,000**	184,902	**-**	-	**7,600**	37,299
Michael Sprot	102,000	-	17,000	**119,000**	117,250	**-**	-	**39,341**	21,723
Rob Shaw	239,590	-	103,460	**343,050**	231,000	**-**	-	**2,500**	-
Adrian Lingard	180,090	-	61,283	**241,373**	176,000	**-**	-	**42,438**	70,990
Mark Carrington~#	2,500	-	-	**2,500**	-	**-**	-	**-**	-
Stephen Davidson*	2,782	-	-	**2,782**	35,000	**-**	-	**-**	-
Ian Robinson	47,500	-	-	**47,500**	40,000	**-**	-	**-**	
Philip Hanson+	36,103	-	-	**36,103**	-	**-**	-	**-**	-
Total	**979,669**		**213,743**	**1,193,412**	984,256		-	**111,879**	150,012

^ resigned 25 April 2018
+ appointed 27 April 2017
* resigned 27 April 2017
~ paid to a third party for the Director's services
# appointed 27 February 2018

Directors' service agreements and letters of appointment

Contracts of service are negotiated on an individual basis as part of the overall remuneration package. The contracts of service are not for a fixed period. Details of these service contracts are set out below:

	Date of contract	Notice period	Company with whom contracted
Martin Boddy	1 March 2012	3 months	Jaywing plc
Andy Gardner	6 April 2012	3 months	Jaywing plc
Michael Sprot	20 December 2012	3 months	Jaywing plc
Adrian Lingard	1 April 2010	6 months	Jaywing plc
Rob Shaw	17 March 2014	6 months	Jaywing plc

In the event of termination of their contracts, each Director is entitled to compensation equal to their basic salary and bonus for their notice period.

Non-executive Directors have letters of appointment, the details of which are as follows:

	Date of contract	Notice period	Company with whom contracted
Ian Robinson	21 May 2014	3 months	Jaywing plc
Philip Hanson	27 April 2017	3 months	Jaywing plc
Mark Carrington	21 March 2018	3 months	Jaywing plc

Directors' interests in shares

The Directors' interests in the share capital of the Company are set out below:

31 March	**2018 Number of shares**	2017 Number of shares
Andy Gardner	**5,037,470**	4,987,470
Martin Boddy	**5,016,667**	4,916,667
Ian Robinson	**470,267**	370,267
Rob Shaw	**174,869**	-
Adrian Lingard	**111,000**	-
Philip Hanson	**109,462**	-
Michael Sprot	**68,519**	18,519

The table below sets out options granted under the PSP scheme:

	At 31 March 2018	At 31 March 2017	Exercise price	Normal date from which exercisable	Expiry date
Martin Boddy	496,000	496,000	5p	1-Aug-2016	30-Sep-2020
Andy Gardner	496,000	496,000	5p	1-Aug-2016	30-Sep-2020
Michael Sprot	710,000	710,000	5p	1-Aug-2016	30-Sep-2020
Adrian Lingard	1,156,303	1,156,303	5p	1-Aug-2016	30-Sep-2020
Rob Shaw	1,591,054	1,591,054	5p	1-Aug-2016	30-Sep-2020

Pensions

The Group operates a stakeholder pension scheme for staff. All of the Executive Directors received a contribution to a pension scheme.

Non-executive directorships

The Company allows its Executive Directors to take a limited number of outside directorships. Individuals retain the payments received from such services since these appointments are not expected to impinge on their principal employment.

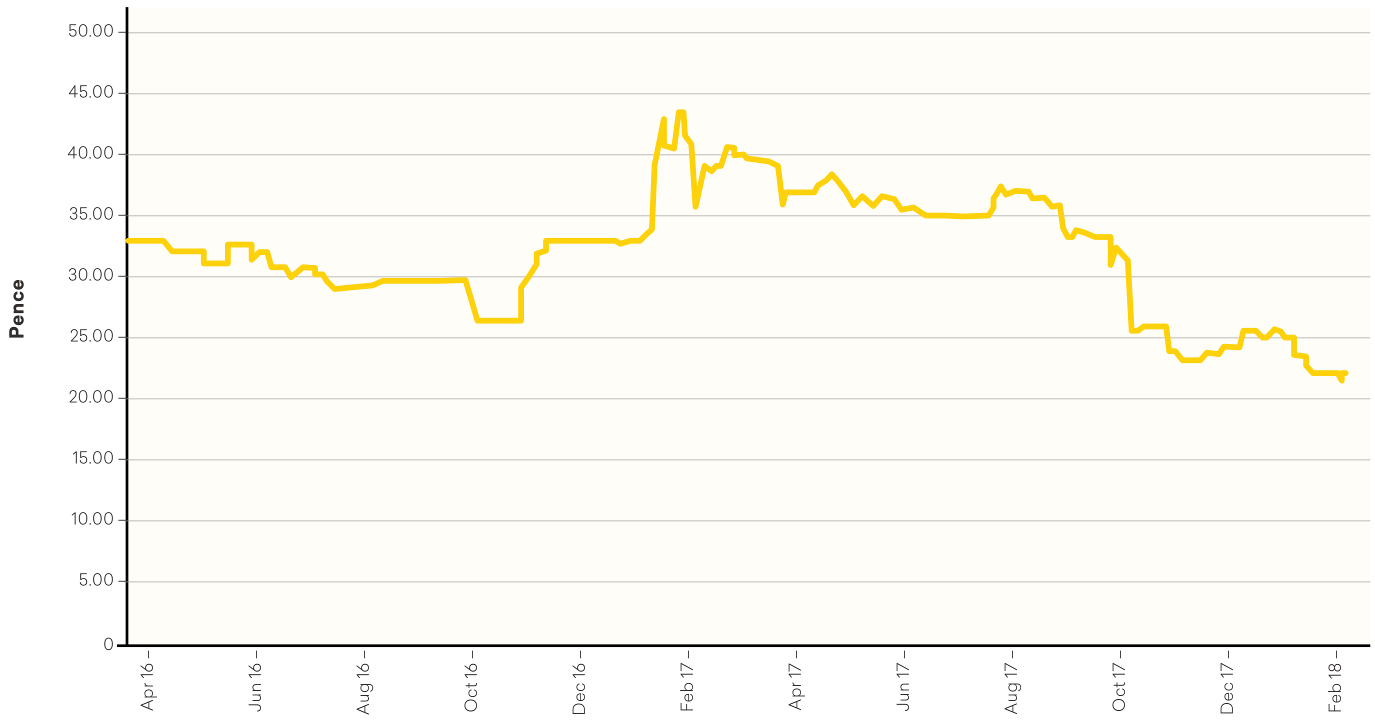
Other related party transactions

No Director of the Group, except for Rob Shaw, has, or had, a disclosable interest in any contract of significance subsisting during or at the end of the year.

Disclosable transactions by the Company under IAS 24, Related Party Disclosures, are set out in *note 31*. There have been no other disclosable transactions by the Company and its subsidiaries with Directors of the Company or any of the subsidiary companies and with substantial shareholders since the publication of the last Annual Report.

Share price performance

The share price performance from 1 April 2016 is shown in the following table:



By Order of the Board

Ian Robinson

9th July 2018

Corporate Governance

This report is prepared voluntarily by the Board and describes how the principles of corporate governance are applied.

The Board

At 31 March 2018, the Board comprised the Executive Chairman Martin Boddy, Deputy Chairman Ian Robinson, Non-executive Directors Philip Hanson and Mark Carrington, Chief Executive Officer Rob Shaw, Chief Strategy Officer Andy Gardner (resigned on 25 April 2018), Chief Financial Officer Michael Sprot and Chief Operating Officer Adrian Lingard. Short biographical details of each of the current Directors are set out on *page 16*. The Board is responsible to the shareholders for the proper management of the Group and meets at least five times a year to set the overall direction and strategy of the Group. All strategic operational and investment decisions are subject to Board approval.

The roles of Chief Executive Officer and Chairman are separate and there is a clear division of their responsibilities. All Directors are subject to re-election at least every three years.

Board committees

Remuneration Committee

The Remuneration Committee comprises Philip Hanson (Chair), Ian Robinson and Mark Carrington. The Remuneration Committee, on behalf of the Board, meets as and when necessary to review and approve as appropriate the contract terms, remuneration and other benefits of the Executive Directors and senior management and major remuneration plans for the Group as a whole.

The Code recommends that a remuneration committee should be composed of entirely independent Non-executive Directors. Ian Robinson and Mark Carrington (who are affiliated with a major shareholder) are not regarded as independent under the Code. The Board does consider them to act independently with respect to remuneration issues.

The Remuneration Committee approves the setting of objectives for all of the Executive Directors and authorises their annual bonus payments for achievement of objectives. The Remuneration Committee approves remuneration packages sufficient to attract, retain and motivate Executive Directors required to run the Group successfully, but does not pay more than is necessary for this service.

The Remuneration Committee is empowered to recommend the grant of share options under the existing share option plan and to make awards under the long-term incentive plans. The Remuneration Committee considers there to be an appropriate balance between fixed and variable remuneration and between short-term and long-term variable components of remuneration. All the decisions of the Remuneration Committee on remuneration matters in the year ended 31 March 2018 were reported to and endorsed by the Board.

Further details of the Group's policies on remuneration and service contracts are given in the Directors' Remuneration report on *pages 23* to *27*.

Audit Committee

The Audit Committee comprises Ian Robinson (Chair), Mark Carrington and Philip Hanson. By invitation, the meetings of the Audit Committee may be attended by the other Directors and the auditor. The Committee meets not less than twice annually. The Audit Committee oversees the monitoring of the adequacy and effectiveness of the Group's internal controls, accounting policies and financial reporting and provides a forum for reporting by the Group's external auditor. Its duties include keeping under review the scope and results of the audit and its cost effectiveness, consideration of management's response to any major audit recommendations and the independence and objectivity of the auditor.

Nomination Committee

The Nomination Committee comprises a majority of Non-executive Directors. It met once during the year. It is responsible for nominating to the Board candidates for appointment as Directors, having regard for the balance and structure of the Board. The terms of reference for all committees are available on the Group's website.

Company Secretary

The Company Secretary is responsible for advising the Board through the Chairman on all governance issues. All Directors have access to the advice and services of the Secretary.

Attendance at Board and Committee meetings

The Directors attended the following Board and Committee meetings during the year ended 31 March 2018.

	Board	Remuneration	Audit	Nomination
Total meetings held	7	4	3	-
Ian Robinson	7	4	3	-
Stephen Davidson (resigned 27 April 2017)	1	1	-	-
Philip Hanson (appointed 27 April 2017)	6	3	3	-
Mark Carrington (appointed 27 February 2018)	1	-	1	-
Martin Boddy	7	2	3	-
Andy Gardner* (resigned 25 April 2018)	5	-	-	-
Michael Sprot	7	2	3	-
Rob Shaw	7	-	-	-
Adrian Lingard	7	-	-	-

*Andy Gardner was working in Australia when two of the board meetings were held and was unable to attend.

Board performance and evaluation

In addition to the re-election of Directors every three years, the Board has a process for evaluation of its own performance and that of its committees and individual Directors, including the Chairman.

Relationships with shareholders

The Board recognises the importance of effective communication with the Company's shareholders to ensure that its strategy and performance is understood and that it remains accountable to shareholders. The Company communicates with investors through Interim Statements, audited Annual Reports, press releases and the Company's website **investors.jaywing.com**. Shareholders are welcome at the Company's AGM (notice of which is provided with this Report) where they will have an opportunity to meet the Board. The Company obtains feedback from its broker on the views of institutional investors on a non-attributed and attributed basis and any concerns of major shareholders would be communicated to the Board.

Internal controls

The Board acknowledges its responsibility for establishing and maintaining the Group's system of internal controls and will continue to ensure that management keeps these processes under regular review and improves them where appropriate.

Management structure

There is a clearly defined organisational structure throughout the Group with established lines of reporting and delegation of authority based on job responsibilities and experience.

Financial reporting

Monthly management accounts provide relevant, reliable, up-to-date financial and non-financial information to management and the Board. Annual plans, forecasts and performance targets allow management to monitor the key business and financial activities and the progress towards achieving the financial objectives. The annual budget is approved by the Board.

Monitoring of controls

It is intended that the Audit Committee receives regular reports from the auditor and assures itself that the internal control environment of the Group is operating effectively. There are formal policies and procedures in place to ensure the integrity and accuracy of the accounting records and to safeguard the Group's assets. Significant capital projects and acquisitions and disposals require Board approval.

Corporate social responsibility

The Board recognises the growing awareness of social, environmental and ethical matters and it endeavours to take into account the interests of the Group's stakeholders, including its investors, employees, suppliers and business partners when operating the business.

Employment

At a subsidiary level, each individual company has established policies that address key corporate objectives in the management of employee relations, communication and employee involvement, training and personal development and equal opportunity. The Board recognises its legal responsibility to ensure the wellbeing, safety and welfare of its employees and to maintain a safe and healthy working environment for them and for its visitors. Health and Safety is on the agenda for regularly scheduled plc Board meetings.

Environment

By their nature, the Group's regular operations are judged to have a low environmental impact and are not expected to give rise to any significant inherent environmental risks over the next 12 months.

By Order of the Board

Michael Sprot
Director
Jaywing plc

9th July 2018

Directors' Responsibilities Statement

The Directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and have elected to prepare the parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS101 "Reduced Disclosure Framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards/IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, and disclose with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

Michael Sprot
Director
Jaywing plc

9th July 2018

Independent Auditor's Report to the members of Jaywing plc

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Jaywing plc (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2018, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, the Principal Accounting Policies, the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2018 and of the Group's loss and the parent company's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Overview of our audit approach

- Overall materiality: £156,000, which represents 10% of the Group's average earnings before tax (EBT) based on the previous 3 year's EBT;
- The key audit matters were identified as revenue recognition and business acquisitions; and
- We have assessed the components within the Group and performed a full scope audit on the financial statements of Jaywing plc and on the financial information of all non-dormant UK components. We have performed a combination of targeted and analytical procedures on the financial information of the Australian components.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter – Group

Revenue recognition

Revenue is a major driver of the business and under ISA (UK) 240 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements', there is a presumed risk of fraud in revenue recognition that could result in material misstatements.

We therefore identified revenue recognition as a significant risk, which was one of the most significant assessed risks of material misstatement.

How the matter was addressed in the audit – Group

Our audit work included, but was not restricted to:

- Assessing whether the revenue recognition policy is in accordance with International Accounting Standard (IAS) 18 'Revenue';
- Testing whether a sample of revenue transactions:

- had been accounted for in accordance with the accounting policy;

- agree to corroborating documentation;

- agree to customer payments, remittances and evidence of performance of the service; and

- Testing cut-off procedures had been appropriately applied.

The Group's accounting policy on revenue recognition is shown in the principal accounting policies to the financial statements.

Key observations
Based on our audit work, we did not identify any material misstatement in revenue recognition. The revenue was recognised in accordance with the Group's accounting policy and IAS 18 'Revenue.'

Business acquisitions

The Group acquired Frank Digital PTY Limited and The Comms Department Limited (trading as Head Offfice) during the year.

The most significant business combination during the year was the acquisition of Frank Digital PTY Limited on 18 March 2018 for a total consideration of £0.55m. The acquisition of Frank Digital PTY Limited resulted in goodwill of £0.4m, intangible assets of £0.3m and deferred tax assets of £54,000. Management are required to calculate the fair value of the acquired assets and liabilities, including identification of any intangible assets. Key assumptions in valuing the intangible assets included the expected future cash flows and the discount rate applied to these cash flows. Changes to these assumptions can have a material impact on the intangible assets recognised, as well as the resulting level of goodwill identified. Management have engaged external valuation specialists to assist in the assessment of these fair values.

The total consideration for this acquisition includes certain financial instruments, which require fair value assessments, which are not yet complete. As the accounting for the acquisition is in the 'measurement period' and as required by IFRS 3 'Business Combinations', the values in the financial statements are provisional.

We therefore identified business acquisitions as a significant risk, which was one of the most significant assessed risks of material misstatement.

Our audit work included, but was not restricted to:

- Documenting and assessing the key controls in respect of business acquisitions;
- Obtaining an understanding of the structure of the transaction;
- Obtaining evidence of the Directors' identification of any resultant financial instruments;
- Obtaining the Directors' calculation of any resultant goodwill;
- Assessing the Directors' identification and valuation of any resultant intangible assets recognised as part of the transaction, and comparing this to the principles of IFRS 3 'Business Combinations'; and
- Considering the appropriateness of key assumptions used in the calculation of intangible assets and goodwill.

The Group's accounting policy on business combinations is shown in the principal accounting policies and related disclosures are included in *note 12*.

Key observations
Based on our audit work, we are satisfied that business acquisitions are accounted for in accordance with the Group's accounting policies and IFRS 3 'Business Combinations.'

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work. Materiality was determined as follows:

Materiality measure	Group	Parent
Financial statements as a whole	£156,000, which represents 10% of the group's average earnings before tax (EBT) based on the previous 3 years. This benchmark is considered the most appropriate because EBT is a key performance indicator for the group. The rolling average of EBT for the materiality calculation addresses the volatility seen in EBT in recent years.	£125,000, which represents 1% of the company's total assets, capped at 80% of group materiality. This benchmark is considered the most appropriate given the activities of the parent company, primarily being that of a holding company and its major activities relate to fixed assets included in the financial statements.
	Materiality for the current year is lower than the level that we determined for the year ended 31 March 2017 as a result of the volatility in earnings before taxation.	Materiality for the current year is lower than the level that we determined for the year ended 31 March 2017 as a result of the volatility in the Group's earnings before taxation.
Performance materiality used to drive the extent of our testing	75% of financial statement materiality.	75% of financial statement materiality.
Specific materiality	We also determine a lower level of specific materiality for directors' remuneration and related party transactions.	We also determine a lower level of specific materiality for directors' remuneration and related party transactions.
Communication of misstatements to the audit committee	£117,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£94,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the Group's business, its environment and risk profile and in particular included the following:

- evaluation by the Group audit team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality. We assessed significance as a percentage of the Group's total assets, revenues and EBITDA;
- a full scope statutory audit of the financial statements of the parent Company and of the financial information of all other non-dormant UK based Group entities;
- a combination of full scope and targeted procedures were performed on the Australian components;
- there has been no change in the overview of the scope of the current year audit from the scope of that of the prior year;
- 96% of Group revenue was subjected to full scope procedures, and 3.9% of Group revenue was subjected to targeted procedures; and
- audit work on all components in the UK was performed by the Group audit team. The audit work on all components in Australia was carried out by Grant Thornton Australia under the direction and supervision of the Group audit team.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' Responsibilities Satement set out on *page 31*, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: *frc.org.uk/auditorsresponsibilities*.

This description forms part of our auditor's report.

Donna Steel
Senior Statutory Auditor
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor,
Chartered Accountants
Sheffield

9th July 2018

Consolidated Financial Statements

Consolidated statement of comprehensive income

For the year ended 31 March **Continuing operations**	**Note**	**2018** **£'000**	2017 £'000
Revenue	*1*	**47,541**	44,537
Direct costs		**(10,826)**	(8,560)
Gross profit		**36,715**	35,977
Other operating income	*2*	**64**	26
Operating expenses	*3*	**(37,792)**	(38,909)
Operating profit / (loss)		**(1,013)**	(2,906)
Finance income	*4*	**-**	165
Finance costs	*5*	**(203)**	(197)
Net financing costs		**(203)**	(32)
(Loss) / profit before tax		**(1,216)**	(2,938)
Tax expense	*6*	**83**	(43)
(Loss) / profit for the year from continuing operations	*28*	**(1,133)**	(2,981)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on retranslation of foreign operations	*27*	**(39)**	16
Total comprehensive income for the period attributable to equity holders of the parent		**(1,172)**	(2,965)
(Loss) / profit per share			
Basic (loss) / profit per share	*7*	**(1.25p)**	(3.42p)
Diluted (loss) / profit per share		**(1.25p)**	(3.42p)

The accompanying notes form part of these consolidated financial statements.

Consolidated balance sheet

As at 31 March	Note	2018 £'000	2017 £'000	2016 £'000
Non-current assets			Restated	Restated
Property, plant and equipment	13	**1,443**	1,095	744
Goodwill	14	**34,496**	33,722	30,446
Other intangible assets	15	**5,962**	7,230	6,562
		41,901	42,047	37,752
Current assets				
Trade and other receivables	16	**11,754**	11,311	10,150
Cash and cash equivalents		**632**	2,216	347
		12,386	13,527	10,497
Total assets		**54,287**	55,574	48,249
Current liabilities				
Other interest-bearing loans and borrowings	17	**4,750**	4,750	4,612
Trade and other payables	18	**12,545**	12,296	8,072
Current tax liabilities		**249**	557	452
Provisions	19	**151**	173	167
		17,695	17,776	13,303
Non-current liabilities				
Other interest-bearing loans and borrowings	17	**1,800**	1,000	1,063
Deferred consideration		**-**	2,314	-
Deferred tax liabilities	20	**951**	1,229	1,387
		2,751	4,543	2,450
Total liabilities		**20,446**	22,319	15,753
Net assets		**33,841**	33,255	32,496
Equity attributable to owners of the parent				
Share capital	21	**34,992**	34,657	34,139
Share premium	22	**10,088**	9,108	6,608
Capital redemption reserve	24	**125**	125	125
Shares purchased for treasury	23	**(25)**	(25)	(25)
Share option reserve	25	**736**	504	146
Minority interest	26	**1,718**	1,513	-
Foreign currency translation reserve	27	**(20)**	19	3
Retained earnings	28	**(13,773)**	(12,646)	(8,500)
Total equity		**33,841**	33,255	32,496

The 2016 and 2017 numbers have been restated. Further details are in *note 34*.

These financial statements were approved by the Board of Directors on 9th July 2018 and were signed on its behalf by:

Michael Sprot
Director
Company number: 05935923

The accompanying notes form part of these consolidated financial statements.

Consolidated cash flow statement

For the year ended 31 March	Note	2018 £'000	2017 £'000
Cash flow from operating activities			
(Loss) / profit after tax		**(1,133)**	(2,981)
Adjustments for:			
Depreciation, amortisation and impairment		**2,588**	5,140
Movement in provision		**(22)**	6
Foreign exchange arising from translation of foreign subsidiary		**(39)**	16
Financial income		**-**	(165)
Financial expenses		**203**	197
Share-based payment expense	*11*	**238**	1,141
Taxation charge		**(83)**	43
Operating cash flow before changes in working capital		**1,752**	3,397
Increase in trade and other receivables		**(360)**	(281)
Increase in trade and other payables		**152**	763
Cash generated from operations		**1,544**	3,879
Interest received		**-**	1
Interest paid		**(203)**	(197)
Tax paid		**(553)**	(549)
Net cash flow from operating activities		**788**	3,134
Cash flow from investing activities			
(Payment) / receipt of deferred consideration		**(2,528)**	151
Acquisition of subsidiaries net of cash acquired	*12*	**(647)**	(3,694)
Acquisition of intangible assets		**(448)**	-
Acquisition of property, plant and equipment	*13*	**(865)**	(815)
Net cash outflow from investing activities		**(4,488)**	(4,358)
Cash flows from financing activities			
Increase in borrowings		**800**	75
Proceeds from issue of share capital		**1,316**	3,018
Net cash inflow / (outflow) from financing activities		**2,116**	3,093
Net increase / (decrease) in cash and cash equivalents		**(1,584)**	1,869
Cash and cash equivalents at beginning of year		**2,216**	347
Cash and cash equivalents at end of year		**632**	2,216
Cash and cash equivalents comprise:			
Cash at bank and in hand		**632**	2,216
Bank overdrafts	*16*	**-**	-
Cash and cash equivalents at end of year		**632**	2,216

The accompanying notes form part of these consolidated financial statements.

Consolidated statement of changes in equity

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Treasury shares £'000	Minority interest £'000	Share option reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 31 March 2016 (restated)	34,139	6,608	125	(25)	-	146	3	(8,500)	32,496
Issue of share capital	518	2,500	-	-	-	-	-	-	3,018
Acquisition of subsidiaries	-	-	-	-	1,513	-	-	(1,165)	348
Charge in respect of share-based payments	-	-	-	-	-	358	-	-	358
Transactions with owners	518	2,500	-	-	1,513	358	-	(1,165)	3,724
Loss for the period	-	-	-	-	-	-	-	(2,981)	(2,981)
Retranslation of foreign currency	-	-	-	-	-	-	16	-	16
Total comprehensive income for the period	-	-	-	-	-	-	16	(2,981)	(2,965)
Balance at 31 March 2017	**34,657**	**9,108**	**125**	**(25)**	**1,513**	**504**	**19**	**(12,646)**	**33,255**
Issue of share capital	335	980	-	-	-	-	-	-	1,315
Acquisition of subsidiaries	-	-	-	-	211	-	-	-	211
Charge in respect of share-based payments	-	-	-	-	-	232	-	-	232
Transactions with owners	335	980	-	-	211	232	-	-	1,758
Loss for the period	-	-	-	-	(6)	-	-	(1,127)	(1,133)
Retranslation of foreign currency	-	-	-	-	-	-	(39)	-	(39)
Total comprehensive income for the period	-	-	-	-	-	-	(39)	(1,127)	(1,172)
Balance at 31 March 2018	**34,992**	**10,088**	**125**	**(25)**	**1,718**	**736**	**(20)**	**(13,773)**	**33,841**

The brought forward number at 31 March 2016 has been restated. Further details are in *note 34*.

The accompanying notes form part of these consolidated financial statements.

Principal Accounting Policies

Jaywing plc is a Company incorporated in the UK and is AIM listed.

The consolidated financial statements consolidate those of Jaywing plc and its subsidiaries (together referred to as the 'Group').

The consolidated financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU (Adopted IFRSs). The consolidated financial statements have been prepared under the historical cost convention.

The principal accounting policies of the Group are set out below. The policies have remained unchanged from the previous year.

Changes in accounting policies

New and revised standards that are effective for annual periods beginning on or after 1 April 2017

The Group has not adopted any new standards or amendments that have a significant impact on the Group's results or financial position.

Going concern
The Directors have reviewed the forecasts for the period up to 30 September 2019, which have been adjusted to take account of the current trading environment. The Directors consider the forecasts to be prudent and have assessed the impact of them on the Group's cash flow, facilities and headroom within its banking covenants. Furthermore, the Directors have assessed the future funding requirements of the Group and compared them with the level of available borrowing facilities. Based on this work, the Directors are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Basis of consolidation
Subsidiaries are entities controlled by the Group. Control exists when the Group has the rights to variable returns from its involvement with the investee and has the ability to affect these returns through its power over the investee. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Transactions between subsidiary companies are eliminated on consolidation.

Revenue
Revenue for all business activities other than media planning and buying, is recognised when performance criteria have been met in accordance with the terms of the contracts. Revenue is recognised on long-term contracts if their final outcome can be assessed with reasonable certainty, by including in profit or loss revenue and related costs as contract activity progresses. For contracts where the final outcome cannot be assessed with reasonable certainty, revenue is recognised to the extent of expenses recognised that are recoverable.

Media planning and buying
Revenue comprises gross billings to customers relating to media placements and fees for advertising services. Revenue may consist of various arrangements involving commissions, fees, incentive-based revenue or a combination of the three, as agreed upon with each client.

Revenue is recognised when the service is performed, in accordance with the terms of the contractual arrangement. Incentive-based revenue typically comprises both quantitative and qualitative elements; on the element related to quantitative targets, revenue is recognised when the quantitative targets have been achieved; on elements related to qualitative targets, revenue is recognised when the incentive is receivable.

Revenue is recognised in accordance with the stage of completion of contractual obligations to the customer. The stage of completion is ascertained by assessing the fair value of the services provided to the balance sheet date as a proportion of the total fair value of the contract. Losses on contracts are recognised in the period in which the loss first becomes foreseeable.

Recognition of revenue as principal or agent
The Directors consider that they act as a principal in transactions where the Group assumes the credit risk. Where this is via an agency arrangement and the Group assumes the credit risk for all billings, it therefore recognises gross billings as revenue.

Foreign currency
Transactions in foreign currencies are translated into the entity's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Dilapidations provision
Provision is made for expected future dilapidations costs to property under operating leases. The estimated costs are capitalised within leasehold improvements and depreciated over the remaining lease term.

Judgements made by the Directors in the application of these accounting policies that have a significant effect on the consolidated financial statements, together with estimates with a significant risk of material adjustment in the next year, are discussed in *note 32* to the consolidated financial statements.

Classification of instruments issued by the Group

Instruments issued by the Group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company (or Group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company (or Group); and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments, or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the items are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of finance expenses. Finance payments associated with financial instruments that are classified in equity are dividends and are recorded directly in equity.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Leasehold improvements - over period of lease

Motor vehicles - 4 years

Office equipment - 3 to 5 years

It has been assumed that all assets will be used until the end of their economic life.

Intangible assets and goodwill

All business combinations are accounted for by applying the acquisition method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately, or which arise from legal or contractual rights regardless of whether those rights are separable, and are initially recognised at fair value. Development costs incurred in the year that meet the criteria of IAS 38 are capitalised and amortised on a straight-line basis over their economic life.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use.

The estimated useful lives are as follows:

Customer relationships	- 4 to 12 years
Development costs	- 3 to 6 years
Trademarks	- 2 to 20 years
Order books	- 1 year

Impairment

For goodwill that has an indefinite useful life, the recoverable amount is estimated annually. For other assets, the recoverable amount is only estimated when there is an indication that an impairment may have occurred. The recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is determined by assessing net present value of the asset based on future cash flows.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised no longer exists.

Inventories

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal levels of activity on a first in first out basis. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss as incurred.

Share-based payment transactions

The weighted average fair value for the EBITDA performance options was calculated using the Black-Scholes Merton Option Pricing Model, and the fair value for the share price options was calculated using the Monte Carlo Model. This is charged to profit or loss over the vesting period of the award. The charge to profit or loss takes account of the estimated number of shares that will vest, and is reassessed at each reporting period. All share-based remuneration is equity settled. Provision is made for National Insurance when the Group is committed to settle this liability. The charge to profit or loss takes account of the options expected to vest, is deemed to arise over the vesting period and is discounted.

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Expenses

Operating lease payments
Operating leases are leases in which substantially all the risks and rewards of ownership related to the asset are not transferred to the Group.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense.

Net financing costs
Net financing costs comprise interest payable and interest receivable on funds invested. Interest income and interest payable are recognised in profit or loss as they accrue using the effective interest method.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except to the extent that it arises on:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination;
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Financial assets

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank borrowings that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Trade and other receivables
Trade and other receivables are initially recorded at fair value and thereafter are measured at amortised cost using the effective interest rate. A provision for impairment is made where there is objective evidence (including customers with financial difficulties or in default on payments) that amounts will not be recovered in accordance with the original terms of the agreement. A provision for impairment is established when the carrying value of the receivable exceeds the present value of the future cash flow discounted using the original effective interest rate. The carrying value of the receivable is reduced through the use of an allowance account and any impairment loss is recognised in profit or loss.

Financial liabilities

Interest-bearing borrowings
Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

Trade and other payables
Trade payables are initially recorded at fair value and thereafter at amortised cost using the effective interest rate method.

Segmental reporting
The Group reports its business activities in two areas: Agency Services and Media & Analysis, its two primary business activities.

The Group derives its revenue from the provision of digital marketing services.

Standards and interpretations in issue at 31 March 2018 but not yet effective

The following standards and interpretations of relevance to the Group have been issued but are not yet effective and have not been adopted by the Group:

- IFRS 15 Revenue from Contracts with Customers (effective 1 January 2018)
- IFRS 9 Financial Instruments (effective 1 January 2018)
- IFRS 14 Regulatory Deferral Accounts (effective 1 January 2018)
- IFRS 16 Leases (effective 1 January 2019)

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the Group.

Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Group's financial statements.

Other standards and interpretations in issue but not yet effective are not considered to have any relevance to the Group, other than IFRS 16 Leases and IFRS 15.

The Directors have assessed the impact of the implementation of IFRS 15 and do not believe it will have a material impact on the way revenues are recognised across the Group.

Share capital
Share capital represents the nominal value of shares that have been issued.

Share premium
Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Capital redemption reserve
Capital redemption reserve represents the amount by which the nominal value of the shares purchased or redeemed is greater than proceeds of a fresh issue of shares.

Shares purchased for treasury
Represents the nominal value of the shares purchased by the Company.

Share option reserve
Represents the fair value charge of share options in issue.

Foreign currency translation reserve
Represents the exchange differences on retranslation of foreign operations.

Retained earnings
Retained earnings includes all current and prior period retained profits and share-based employee remuneration.

Notes to the Consolidated Financial Statements

1. Segmental analysis

The Group reports its business activities in two areas: Agency Services and Media & Analysis. Central Costs represents the Group's head office function, along with intragroup transactions.

The Group primarily derives its revenue from the provision of digital marketing services in the UK. Approximately £1,843,000 of sales were made to clients in Australia. During the year, one customer included within the Media & Analysis sector accounted for greater than 10% of the Group's revenue (2017: No customers).

For the year ended 31 March 2018	**Agency Services £'000**	**Media & Analysis £'000**	**Central Costs £'000**	**Total £'000**
Revenue	18,025	31,565	(2,049)	47,541
Direct costs	(2,718)	(10,157)	2,049	(10,826)
Gross profit	15,307	21,408	-	36,715
Operating expenses excluding depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share-based payments	(12,979)	(15,449)	(5,262)	(33,690)
Operating profit before depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share-based payments	**2,328**	**5,959**	**(5,262)**	**3,025**
Other operating income	64	-	-	64
Depreciation	(222)	(231)	(102)	(555)
Amortisation	(1,293)	(740)	-	(2,033)
Exceptional costs	(12)	(282)	(200)	(494)
Acquisition related costs	-	-	(827)	(827)
Charges for share-based payments	(51)	(4)	(138)	(193)
Operating (loss) / profit	814	4,702	(6,529)	(1,013)
Finance income				-
Finance costs				(203)
Loss before tax				(1,216)
Tax expense				83
Loss for the period				(1,133)

For the year ended 31 March 2017	Agency Services £'000	Media & Analysis £'000	Central Costs £'000	Total £'000
Revenue	17,297	27,877	(637)	44,537
Direct costs	(2,901)	(6,296)	637	(8,560)
Gross profit	14,396	21,581	-	35,977
Operating expenses excluding depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share-based payments	(11,732)	(14,333)	(5,052)	(31,117)
Operating profit before depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share-based payments	**2,664**	**7,248**	**(5,052)**	**4,860**
Other operating income	26	-	-	26
Depreciation	(280)	(147)	(46)	(473)
Amortisation	(1,046)	(715)	-	(1,761)
Impairment to the carrying value of goodwill	(2,906)	-	-	(2,906)
Exceptional costs	(187)	(30)	(179)	(396)
Acquisition related costs	-	-	(1,115)	(1,115)
Charges for share-based payments	(107)	(135)	(899)	(1,141)
Operating profit / (loss)	(1,836)	6,221	(7,262)	(2,906)
Finance income				165
Finance costs				(197)
Loss before tax				(2,938)
Tax expense				(43)
Profit for the period				(2,981)

Year ended 31 March 2018	Agency Services £'000	Media & Analysis £'000	Central Costs £'000	Total £'000
Assets	**28,408**	**32,278**	**(6,399)**	**54,287**
Liabilities	**(3,536)**	**(7,069)**	**(9,841)**	**(20,446)**
Capital employed	**24,872**	**25,209**	**(16,240)**	**33,841**

Year ended 31 March 2017	Agency Services £'000	Media & Analysis £'000	Central Costs £'000	Total £'000
Assets	29,404	31,722	(5,542)	55,584
Liabilities	(3,536)	(7,494)	(11,299)	(22,329)
Capital employed	25,868	24,228	(16,841)	33,255

Unallocated assets and liabilities consist predominantly of cash, external borrowings and deferred tax liabilities on intangible assets which have not been allocated to the business segments.

Capital additions; Property, plant and equipment	Agency Services £'000	Media & Analysis £'000	Central Costs £'000	Total £'000
Year ended 31 March 2018	**298**	**354**	**213**	**865**
Year ended 31 March 2017	145	367	303	815

2. Other operating income

	2018 £'000	2017 £'000
Other operating income	**64**	26

During the years to 31 March 2017 and 31 March 2018, the Group received money from the administrator of a client for a contractual obligation to perform services on their behalf. During the year the Group received a further distribution of £64,000. It is anticipated there may be further distributions in the future but the Board is unaware of the quantum or timing of these potential receipts.

3. Operating expenses

Continuing operations:	2018 £'000	2017 £'000
Wages and salaries	**25,656**	24,809
Share-based payments	**193**	1,141
Depreciation	**555**	473
Exceptional items	**275**	310
Amortisation	**2,033**	1,761
Impairment to the carrying value of goodwill	**-**	2,906
Other operating expenses	**8,861**	7,423
	37,573	38,823
Compensation for loss of office	**219**	86
	219	86
	37,792	38,909

Wages and salaries include £547,000 (2017: £305,000) of post-acquisition employment costs relating to the purchase of Massive Group PTY.

4. Finance income

	2018 £'000	2017 £'000
Interest income	**-**	1
Finance charge on acquisition	**-**	164
Total	**-**	165

5. Finance costs

	2018 £'000	2017 £'000
Interest expense	**193**	191
Finance charge on acquisition	**10**	6
Total	**203**	197

6. Tax expense

	2018 £'000	2017 £'000
Recognised in the consolidated statement of comprehensive income:		
Current year tax	**262**	533
Origination and reversal of temporary differences	**(345)**	(490)
Total tax charge	**(83)**	43
Reconciliation of total tax charge:		
(Loss) / profit before tax	**(1,216)**	(2,938)
Taxation using the UK Corporation Tax rate of 19% (2017: 20%)	**(231)**	(588)
Effects of:		
Non-deductible expenses	**112**	402
Share-based payment charges	**36**	229
Total tax charge	**(83)**	43

7. (Loss) / profit per share

	2018 Pence per Share	2017 Pence per Share
Basic	**(1.25p)**	(3.42p)
Diluted	**(1.25p)**	(3.42p)

(Loss) / profit per share has been calculated by dividing the (loss) / profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

The calculations of basic and diluted (loss) / profit per share are:

	2018 £'000	2017 £'000
(Loss) / profit for the year attributable to shareholders	**(1,172)**	(2,965)

Weighted average number of ordinary shares in issue:

	2018 Number	2017 Number
Basic	**93,432,217**	86,709,898
Adjustment for share options	**6,126,322**	7,959,291
Diluted	**99,558,539**	94,669,189

The basic and diluted earnings per share are the same due to the Group being loss making.

Adjusted earnings per share

	2018 Pence per Share	2017 Pence per Share
From continuing and discontinued operations:		
Basic adjusted earnings per share	**1.73p**	3.95p
Diluted adjusted earnings per share	**1.62p**	3.62p

Adjusted earnings per share have been calculated by dividing the profit attributable to shareholders before amortisation, charges for share options and acquisition related costs during the year by the weighted average number of ordinary shares in issue during the year. The numbers used in calculating the basic and diluted adjusted earnings per share are reconciled below:

	2018 £'000	2017 £'000
(Loss) / profit before tax	**(1,172)**	(2,965)
Amortisation	**2,033**	1,761
Impairment to the carrying value of goodwill	**-**	2,906
Acquisition related costs	**827**	1,115
Charges for share-based payments	**193**	1,141
Adjusted profit attributable to shareholders	**1,881**	3,958
Current year tax charge	**(262)**	(533)
Total	**1,619**	3,425

8. Expenses and auditor's remuneration

	2018 £'000	2017 £'000
The following are included in profit before tax:		
Depreciation of property, plant and equipment	**555**	473
Amortisation of other intangible assets	**2,033**	1,761
Compensation for loss of office	**219**	86
Employee emoluments	**25,302**	25,950
Auditor's remuneration:		
Audit of company financial statements	**34**	28
Other amounts payable to the auditor and its associates in respect of:		
Audit of subsidiary company financial statements	**83**	102
Audit related assurance services	**14**	13
Taxation compliance services	**23**	31
Taxation advisory services	**29**	23
Due diligence services	**37**	52

Amounts paid to the Group's auditor in respect of services to the Company, other than the audit of the Company's financial statements, have not been disclosed separately as the information is required instead to be disclosed on a consolidated basis.

9. Key management personnel compensation

Key management of the Group is considered to be the Board of Directors and the Senior Leadership Team.

	2018 £'000	2017 £'000
Short-term benefits:		
Salaries including bonuses	**2,452**	2,173
Social security costs	**341**	285
Total short-term benefits	**2,793**	2,458
Share-based payment charge	**193**	1,085
Defined contribution pension plan	**134**	209
Key management compensation	**3,120**	3,752

Further information in respect of Directors is given in the Directors' Remuneration Report on *page 23*.

	2018 £'000	2017 £'000
Remuneration in respect of Directors was as follows:		
Emoluments receivable	**1,191**	944
Fees paid to third parties for Directors' services	**3**	40
Company pension contributions to money purchase pension schemes	**112**	150
	1,306	1,134

During the current period and the prior year there were no benefits accruing to Directors in respect of the defined contribution pension scheme.

The highest paid Director received remuneration of £346,000 (2017: £277,000).

10. Staff numbers and costs

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

Continuing operations:	**2018 Number**	2017 Number
Management and administration	**88**	92
Call centre operatives	**204**	195
Account management and production	**286**	298
Information strategists	**61**	57
	639	642

The aggregate payroll costs of these persons were as follows:

	2018 £'000	2017 £'000
Wages and salaries	**22,364**	21,752
Social security costs	**2,478**	2,292
Other pension costs	**814**	765
Share option charges – PSP Options (*see note 11*)	**209**	1,054
Share option charges – Employers' NI (*see note 11*)	**(16)**	87
	25,849	25,950

11. Employee benefits

The Company grants share options under the Jaywing plc Performance Share Plan, more details of which are given in the Directors' Remuneration Report.

Details of the share options granted during and outstanding at the end of the year are as follows:

	2018 Number of share options	**2018 Weighted average exercise price**	2017 Number of share options	2017 Weighted average exercise price
At start of the year	**7,959,291**	**5.0p**	6,067,000	5.0p
Issued during the year	**-**	**5.0p**	7,459,357	5.0p
Exercised during the year	**(185,869)**	**5.0p**	(350,513)	5.0p
Lapsed during the year	**(1,647,100)**	**5.0p**	(5,216,553)	5.0p
At end of the year	**6,126,322**	**5.0p**	7,959,291	5.0p
Exercisable at end of year	**858,117**	**5.0p**	185,869	5.0p

Share options outstanding at the end of the year have an exercise price of 5 pence. Awards of share options are made on an individual basis with particular performance criteria relevant to the participant. Options are usually granted for a maximum of five years.

Share options outstanding at the year-end were as follows:

As at 31 March 2018		**Period of exercise**	
Number	**Exercise price**	**From**	**To**
7,959,291	5.0p	01/04/2017	30/09/2020

As at 31 March 2017		**Period of exercise**	
Number	**Exercise price**	**From**	**To**
7,959,291	5.0p	01/04/2017	30/09/2020

On 4 May 2016 and 30 September 2016, share options were granted to employees in order to incentivise performance. These share options will vest based upon conditions which relate to either EBITDA performance in the period commencing 1 April 2016, or the share price at various future dates.

Charge to the statement of comprehensive income

Under IFRS 2 the Group is required to recognise an expense in the relevant company's financial statements. The expense is apportioned over the vesting period based upon the number of options which are expected to vest and the fair value of those options at the date of grant.

For the awards made, the Group commissioned an independent valuation from American Appraisal UK Limited, using a trinomial valuation model, and adopted their findings.

The weighted average fair value for the EBITDA performance options was calculated using the Black-Scholes Merton Option Pricing Model, and the fair value for the share price options was calculated using the Monte Carlo Model. The following inputs were used:

	2018 £'000
Share price at date of grant	**32.5p / 30.0p**
Exercise price	**5p**
Expected volatility	**30%**
Dividend yield	**0%**
Risk free rate	**0.102% to 0.459%**
Option life	**2 years / 3 years**

Expected volatility was determined by calculating the standard deviation of the share price multiplied by the square root of the relevant time period of the option grant to give an indication of the share price volatility. The risk-free rate was calculated using the yield on long-dated UK Government Treasury Gilts at each date of grant.

The fair value of the EBITDA performance options was calculated between 23.04p and 23.12p, depending on the period to which the options relate.

The fair value of the share price options was calculated as 6.13p.

12. Acquisition of subsidiaries

During the year the Group made two acquisitions. On 30 August 2017, Jaywing plc acquired 100% of the ordinary shares in Head Offfice Limited ("Head Offfice") for cash consideration of £109,000 (excluding legal and professional fees of £11,000, which have been expensed through the statement of comprehensive income in administration expenses in the year). Up to a further £400,000 is payable for performance in the two years ending 30 August 2019.

Head Offfice builds social communities through the creation of its own titles, reaching and engaging people on their terms and creating environments where brands can interact with ready-made, active and engaged communities. Head Offfice also provides creative services and produces branded content in support of its publishing, working in partnership with brands, publishers and audiences. Founder, Gaz Battersby, comes with 15 years of experience and was a member of Epiphany's senior management team during the 2014 Jaywing acquisition, before setting up the independent digital consultancy.

Head Offfice was fully integrated into Epiphany on the date of acquisition and as a result the performance is not separately identifiable. The assets and liabilities acquired were as follows:

	Book value £'000	Fair value adjustments £'000	**Fair value £'000**
Property, plant & equipment	7	-	7
Trade and other receivables	22	-	22
Cash and cash equivalents	(3)	-	(3)
Trade and other payables	(26)	-	(26)
Corporation tax repayable	-	-	-
Deferred tax	-	-	-
Net identifiable assets and liabilities			**-**
Goodwill on acquisition			112
			112

Summary of net cash outflow from acquisitions:	
Cash paid	109
Cash acquired	3
Net cash outflow	**112**

Fair value of consideration transferred	
Amount settled in cash	112

The fair value of trade and other receivables are equal to the gross contractual amounts receivable and at the acquisition date all amounts were expected to be collected.

The goodwill amount represents intangible assets that do not qualify for recognition through the separability criterion or the contractual-legal criterion. This consists of cross-selling opportunities and expected synergies.

On 14 March 2018, Jaywing plc acquired 75% of the ordinary shares in Frank Digital PTY Limited ("Frank") for a cash consideration of AUS$978,000 (£551,000) (excluding legal and professional fees of £185,000, which have been expensed through the statement of comprehensive income in administration expenses in the year). This was all paid on completion. Additional consideration is payable, separate to the acquisition costs, for the continuing employment and future services provided by the former owner of Frank. Further amounts are payable as they are earned up to a maximum amount of AUS$1,200,000, up until September 2020.

The 25% of the share capital owned by management is subject to a put / call option from September 2020. This will be valued at a multiple of the average audited EBITDA for the previous two financial years ending 30 June, subject to a maximum total consideration payable of AUS$4,750,000 for the entire acquisition.

Since the acquisition of Digital Massive in July 2016, Jaywing has experienced strong growth in Australia, alongside increasing demand from customers for a wider range of products and services. This strategic acquisition of Frank Digital serves to meet this customer demand and will further consolidate Jaywing's position in the growing Australian market, delivering additional scale and augmenting its existing services with website and digital campaign expertise.

The improved offering, with a broader set of products and services, is supported by current client opportunities and allows Jaywing greater opportunity for cross-sales.

In the UK, Jaywing has seen success in cross-selling its products and services. In July 2018, Jaywing announced that it had increased the proportion of clients taking more than one service line to 68% of its top 50 clients.

The Directors believe that by being part of Jaywing, Frank Digital can accelerate its growth by leveraging strategic and operational support from the UK.

In the period since acquisition, the subsidiary contributed £61,000 to Group revenues, £6,000 to EBITDA and £6,000 to the consolidated profit attributable to shareholders for the year ended 31 March 2018. The assets and liabilities acquired were as follows:

	Book value £'000	Fair value adjustments £'000	**Fair value £'000**
Intangible assets	-	317	317
Property, plant & equipment	32	-	32
Trade and other receivables	82	-	82
Cash and cash equivalents	16	-	16
Trade and other payables	(293)	-	(293)
Corporation tax asset	-	-	-
Deferred tax	-	(54)	(54)
Net identifiable assets and liabilities			**100**
Goodwill on acquisition			451
			551

Summary of net cash outflow from acquisitions:	
Cash paid	551
Cash acquired	(16)
Net cash outflow	**535**

Fair value of consideration transferred	
Amount settled in cash	551
Minority interest	211
Total	**762**

The above figures are provisional. The fair value of trade and other receivables are equal to the gross contractual amounts receivable and at the acquisition date all amounts were expected to be collected.

The goodwill amount represents intangible assets that do not qualify for recognition through the separability criterion or the contractual-legal criterion. This consists of cross-selling opportunities and expected synergies.

The results for the Group had the acquisition during the year been at the beginning of the year can be analysed as follows:

	Agency Services £'000	Media & Analysis £'000	Unallocated £'000	Total £'000
Revenue	18,025	32,762	(2,049)	48,738
Direct costs	(2,718)	(10,214)	2,049	(10,883)
Gross profit	15,307	22,548	-	37,855
Operating expenses excluding depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share-based payments	(12,979)	(16,412)	(5,262)	(34,653)
Operating profit before depreciation, amortisation, loss before tax on disposal, exceptional items, acquisition related costs and charges for share-based payments	**2,328**	**6,136**	**(5,262)**	**3,202**
Other operating income	64	45	-	109
Depreciation	(222)	(273)	(102)	(597)
Amortisation	(1,293)	(742)	-	(2,035)
Exceptional costs	(12)	(282)	(200)	(494)
Acquisition related costs	-	-	(280)	(280)
Charges for share-based payments	(51)	(4)	(138)	(193)
Operating profit / (loss)	814	4,880	(5,982)	(288)
Finance income				8
Finance costs				(280)
Loss before tax				(556)
Tax expense				81
Loss for the period				(475)

This information is based on the management accounts for Frank Digital.

13. Property, plant and equipment

	Leasehold improvements £'000	Office equipment £'000	Total £'000
Cost			
At 1 April 2017	800	1,583	2,383
Additions	416	399	815
Acquisition of subsidiaries	-	204	204
Disposals	(2)	(160)	(162)
At 31 March 2017	1,214	2,026	3,240
Additions	523	342	865
Acquisition of subsidiaries	-	112	112
Disposals	-	(107)	(107)
At 31 March 2018	**1,737**	**2,373**	**4,110**
Depreciation			
At 1 April 2016	622	1,017	1,639
Depreciation charge for the year	125	348	473
Acquisition of subsidiaries	-	195	195
Depreciation on disposals	(2)	(160)	(162)
At 31 March 2017	745	1,400	2,145
Depreciation charge for the year	477	78	555
Acquisition of subsidiaries	-	72	72
Depreciation on disposals	-	(105)	(105)
At 31 March 2018	**1,222**	**1,445**	**2,667**
Net book value			
At 31 March 2018	**515**	**928**	**1,443**
At 31 March 2017	469	626	1,095
At 1 April 2016	178	566	744

The assets are covered by a fixed charge in favour of the Group's lenders.

14. Goodwill

	Goodwill £'000
Cost and net book value	
At 1 April 2017	33,722
Additions	774
At 31 March 2018	**34,496**

Goodwill is attributed to the following cash generating units:

	2018 £'000	2017 £'000	2016 £'000
Agency Services			
Digital Media & Analytics Limited	438	438	438
Scope Creative Marketing Limited	5,550	5,550	5,550
Jaywing Central Limited	5,817	5,817	5,817
HSM Limited	295	295	3,201
Gasbox Limited	273	273	273
Bloom Media (UK) Limited	4,287	4,287	-
Media & Analysis			
Epiphany Solutions Limited	5,937	5,825	5,825
Alphanumeric Limited	9,342	9,342	9,342
Massive Group PTY	1,895	1,895	-
Frank Digital PTY	662	-	-
	34,496	33,722	30,446

Goodwill and other intangible assets have been tested for impairment by assessing the value in use of the relevant cash generating units. The value in use calculations were based on projected cash flows in perpetuity. Budgeted cash flows for 2016/17 to 2019/20 were used. These were based on a one-year budget with growth rates of 5% to 10% applied for the following three years. Subsequent years were based on a reduced rate of growth of 2% into perpetuity.

The average year-on-year growth in earnings before interest, tax, depreciation and amortisation (EBITDA) that have been used as the basis for forecasting cash flows for each of the cash generating units when testing for impairment were:

	Year on year growth
2016/17	**5.0% - 10%**
2017/18	**5.0% - 10%**
2018/19	**2.5% - 10%**
Perpetuity	**2.0%**

These growth rates are based on past experience and market conditions and discount rates are consistent with external information. The growth rates shown are the average applied to the cash flows of the individual cash generating units and do not form a basis for estimating the consolidated profits of the Group in the future.

The discount rate used to test the cash generating units was the Group's pre-tax Weighted Average Cost of Capital ("WACC") of 11.5% (2017:10.6%). The individual cash generating units were assessed for risk variances from the WACC, but in the absence of geographical risk, currency risk and any significant price risk variations, the same WACC was used for all the cash generating units.

As a result of these tests an impairment of £Nil was considered necessary (2017: £2,906,000).

The Directors have performed a sensitivity analysis in relation to the WACC used, which showed that no impairment would be required for WACCs of up to 16% in other CGUs.

The Directors have also performed a sensitivity analysis in relation to the year-on-year growth in EBITDA. If the growth rates were to be reduced by 1% in each CGU no impairment charge would be required.

15. Other intangible assets

	Customer relationships £'000	Order books £'000	Trademarks £'000	Development costs £'000	Total £'000
Cost					
At 1 April 2016	21,348	1,457	1,025	235	24,065
Additions during the year from acquisitions	1,821	-	55	493	2,369
Additions during the year	-	-	-	60	60
Disposal	-	-	-	-	-
At 31 March 2017	23,169	1,457	1,080	788	26,494
Additions during the year from acquisitions	317	-	-	-	317
Additions during the year	-	-	-	448	448
Disposal	-	-	-	-	-
At 31 March 2018	**23,486**	**1,457**	**1,080**	**1,236**	**27,259**
Amortisation					
At 1 April 2016	15,743	1,457	104	199	17,503
Amortisation charge for the year	1,584	-	67	110	1,761
Disposals	-	-	-	-	-
At 31 March 2017	17,327	1,457	171	309	19,264
Amortisation charge for the year	1,852	-	79	102	2,033
Disposals	-	-	-	-	-
At 31 March 2018	**19,179**	**1,457**	**250**	**411**	**21,297**
Net book amount					
At 31 March 2018	**4,307**	**-**	**830**	**825**	**5,962**
At 1 April 2017	5,842	-	909	479	7,230
At 1 April 2016	5,605	-	921	36	6,562

The cost of brought forward customer relationships was determined as at the date of acquisition of the subsidiaries by professional valuers. The valuations used the discounted cash flow method, assuming rates of customer attrition at 10% and sales growth at 2% each year. The discount rate applied at that time to the future cash flows were specific to each subsidiary and were all in the range 14.6% to 15.5%.

Trademarks represent the trading names used by the company. These are estimated to have an economic life of 20 years. The valuation used the discounted cash flow method, assuming an estimated royalty rate of 2% and sales growth of 2% each year. The valuation assumes that each year 80% to 90% of revenues are generated using the Trademark and applied a discount rate of 19%.

The order book represents contracted revenues over the next 12 months. The valuation used the discounted cash flow method, assuming a net operating profit margin of 30.5%. The discount rate applied was 15.8%.

Goodwill and other intangible assets have been tested for impairment. The method, key assumptions and results of the impairment review are detailed in *note 14*. On the basis of this review, it has been concluded that there is no need to impair the carrying value of these intangible assets (2017: £Nil).

16. Trade and other receivables

	2018 £'000	2017 £'000	2016 £'000
Trade receivables	**8,042**	8,856	8,328
Prepayments and accrued income	**3,439**	2,309	1,580
Deferred tax	**124**	107	85
Other receivables	**149**	39	157
	11,754	11,311	10,150

The carrying amount of trade and other receivables approximates to their fair value.

Trade and other receivables comprising financial assets are classified as loans and receivables.

All trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired so a provision of £70,000 (2017: £96,000; 2016: £92,000) has been recorded accordingly. Trade and other receivables which are not impaired or past due are considered by the Group to be of good credit quality.

The movement in the allowance for estimated irrecoverable amounts can be reconciled as follows:

	2018 £'000	2017 £'000
Balance at start of the year	**96**	92
Amounts written off (uncollectible)	**(61)**	(104)
Impairment loss reversed	**(26)**	(8)
Impairment loss	**61**	116
Balance at end of the year	**70**	96

In addition some of the unimpaired trade receivables are past due as at the reporting date. The age of financial assets past due but not impaired is as follows:

	2018 £'000	2017 £'000	2016 £'000
Not more than three months	**2,368**	1,820	549
More than three months but not more than six months	**100**	94	16
More than six months but not more than one year	**374**	68	-
More than one year	**(8)**	-	-
	2,834	1,982	565

17. Bank and overdraft, loans and borrowings

	2018 £'000	2017 £'000	2016 £'000
Summary			
Borrowings	**6,550**	5,750	5,675
	6,550	5,750	5,675
Borrowings are repayable as follows:			
Within one year			
Borrowings	**4,750**	4,750	4,612
Total due within one year	**4,750**	4,750	4,612
In more than one year but less than two years	**1,800**	1,000	1,063
In more than two years but less than three years	**-**	-	-
In more than three years but less than four years	**-**	-	-
Total amount due	**6,550**	5,750	5,675

Average interest rates at the balance sheet date were:	**%**	%	%
Term loan	**2.25**	2.61	3.56
Revolver loan	**2.25**	2.51	3.51

As the loans are at variable market rates their carrying amount is equivalent to their fair value.

The additional borrowing facilities available to the Group at 31 March 2018 was £2.0 million (2017: £2.0 million) and, taking into account cash balances within the Group companies, there was £2.6 million (2017: £4.2 million) of additional available borrowing facilities.

A Composite Accounting System is set up with the Group's bankers, which allows debit balances on overdraft to be offset across the Group with credit balances.

Reconciliation of net debt

	1 April 2017 £'000	Cash flow £'000	Non-cash items £'000	31 March 2018 £'000
Cash and cash equivalents	2,216	(1,584)	-	**632**
	2,216	(1,584)	-	**632**
Borrowings	(5,750)	(800)	-	**(6,550)**
Net debt	(3,534)	(2,384)	-	**(5,918)**

18. Trade and other payables

	2018 £'000	2017 £'000	2016 £'000
Trade payables	**3,087**	3,665	1,952
Tax and social security	**1,694**	1,673	1,522
Other payables, accruals and deferred income	**7,764**	6,958	4,598
	12,545	12,296	8,072

The carrying amount of trade and other payables approximates to their fair values.
All amounts are short term.

19. Provisions

	2018 £'000	2017 £'000	2016 £'000
At start of the year	**173**	167	158
Additional provisions	**(22)**	6	9
At end of the year	**151**	173	167
Total provisions are analysed as follows:			
Current	**151**	173	167
	151	173	167

At 31 March 2018, a provision of £151,000 (2017: £173,000) was recognised for dilapidations costs expected to be incurred on exit of properties. The provision has been estimated based on the costs already incurred to bring the property to its current condition. The estimated costs have not been discounted as the impact is not considered to be significant. There are no significant uncertainties about the amount or timing.

20. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities:

	2018 £'000	2017 £'000	2016 £'000
Accelerated capital allowances on property, plant and equipment:			
At start of year	**45**	63	(44)
Prior year adjustment	**-**	-	88
Rate change	**1**	-	-
Origination and reversal of temporary differences	**(47)**	(18)	19
At end of year	**(1)**	45	63
Other temporary differences:			
At start of year	**1,077**	1,239	1,578
Prior year adjustment	**-**	-	(59)
Rate change	**3**	-	-
Origination on acquisition	**54**	310	-
Origination and reversal of temporary differences	**(306)**	(472)	(280)
At end of year	**828**	1,077	1,239
Total deferred tax:			
At start of year	**1,122**	1,302	1,534
Prior year adjustment	**-**	-	29
Rate change	**4**	-	-
Origination on acquisition	**54**	310	-
Origination and reversal of temporary differences (*note* 6)	**(353)**	(490)	(261)
At end of year	**827**	1,122	1,302
Origination on acquisition			
Deferred tax is included within:			
Deferred tax liability		1,229	1,387
Deferred tax asset	**(124)**	(107)	(85)
	827	1,122	1,302

The majority of the other temporary differences relates to the liability arising on the valuation of intangible assets on acquisition.

There are no deductible differences or losses carried forward for which no deferred tax asset is recognised. There are no temporary differences associated with investments in subsidiaries for which deferred tax liabilities have not been recognised.

21. Share capital

Authorised	45p deferred shares £'000	5p ordinary shares £'000
Authorised share capital at 31 March 2017 and at 31 March 2018	**45,000**	**10,000**

Allotted, issued and fully paid:	45p deferred shares Number	5p ordinary shares Number	£'000
At 31 March 2017	67,378,520	86,709,898	34,657
Issue of share capital	-	6,536,450	326
Issue of share options	-	185,869	9
At 31 March 2018	**67,378,520**	**93,432,217**	**34,992**

The 5 pence ordinary shares have the same rights (including voting and dividend rights and rights on a return of capital) as the previous 50 pence ordinary shares. Holders of the 45 pence deferred shares do not have any right to receive notice of any general meeting of the Company or any right to attend, speak or vote at any such meeting. The deferred shareholders are not entitled to receive any dividend or other distribution and shall, on a return of assets in a winding up of the Company, entitle the holders only to the repayment of the amounts paid up on the shares, after the amount paid to the holders of the new ordinary shares exceeds £1,000,000 per new ordinary share. The deferred shares will also be incapable of transfer and no share certificates will be issued in respect of them.

22. Share premium

	2018 £'000	2017 £'000
At start of year	**9,108**	6,608
Issue of share capital	**980**	2,500
At end of year	**10,088**	9,108

23. Treasury shares

	2018 £'000	2017 £'000
At start and end of year (99,622 shares)	**(25)**	(25)

24. Capital redemption reserve

	2018 £'000	2017 £'000
At start and end of year	**125**	125

25. Share option reserve

	2018 £'000	2017 £'000
At start of year	**504**	146
Share option charge	**232**	358
At end of year	**736**	504

The Board of Directors approved the original transfer of reserves from retained earnings to a designated share option reserve.

26. Minority interest

	2018 £'000	2017 £'000
At start of year	**1,513**	-
Acquisition of subsidiaries	**211**	1,513
Share of loss for the year	**(6)**	-
At end of year	**1,718**	1,513

27. Foreign currency translation reserve

	2018 £'000	2017 £'000
At start of year	**19**	3
Exchange differences on translation of foreign operations	**(39)**	16
At end of year	**(20)**	19

28. Retained earnings

	2018 £'000	2017 £'000
At start of year	**(12,646)**	(8,500)
Jaywing Innovation put / call option charge	**-**	(1,165)
Retained (loss) / profit for the year	**(1,127)**	(2,981)
At end of year	**(13,773)**	(12,646)

29. Operating leases

The Group's future minimum operating lease payments are as follows:

	Within 1 year £'000	1 to 5 years £'000	After 5 years £'000	Total £'000
31 March 2018	**645**	**2,945**	**631**	**4,221**
31 March 2017	449	2,565	798	3,812
31 March 2016	392	1,437	274	2,103

The Company leases a number of office premises under operating leases. During the year £741,000 (2017: £525,000) was recognised as an expense in the Statement of comprehensive income in respect of operating leases.

30. Capital commitments

The Group had no commitments to purchase property, plant and equipment at 31 March 2018 (2017: £Nil).

31. Related parties

Ian Robinson, Chairman, is also a Director of Deacon Street Partners Limited (formerly Anne Street Partners Limited). The services of Ian Robinson as Deputy Chairman of the Company were purchased from Deacon Street Partners Limited for a fee of £Nil (2017: £40,000). At the year end £Nil. (2017: £12,000) was outstanding to Deacon Street Partners Limited. The services of Mark Carrington as Non-executive Director of the Company were purchased from Deacon Street Partners Limited for a fee of £2,500 (2017: £Nil). At the year end £2,500. (2017: £NIL) was outstanding to Deacon Street Partners Limited.

During the period, the company made sales of £17,646 (2017: £15,246) to Run For All Limited, a company in which Mr R Shaw is a Non-executive Director. At 31 March 2018 the balance receivable from Run For All Limited was £330 (2017: £13,728).

32. Accounting estimates and judgements

Accounting estimates

Impairment of goodwill and other intangible assets

The carrying amount of goodwill is £34,496,000 (2017: £33,722,000) and the carrying amount of other intangible assets is £5,962,000 (2017: £7,230,000). The Directors are confident that the carrying amount of goodwill and other intangible assets is fairly stated, and have carried out an impairment review. The forecast cash generation for each CGU and the WACC represent significant assumptions and should the assumptions prove to be incorrect, there would be a significant risk of a material adjustment within the next financial year. The sensitivity to the key assumptions is shown in *note 14*.

Share-based payment

On 4 May 2016 and 30 September 2016, share options were granted to employees in order to incentivise performance. These share options will vest based upon conditions which relate either to EBITDA performance in the period commencing 1 April 2016, or the share price at various future dates.

The share-based payment charge consists of two elements, the charge for the fair value at the date of grant and a charge for the employer's NI. The fair value charge has been assessed using an external valuation company, and judgement has been made on the number of shares expected to vest based on the achievement of EBITDA and share price targets.

Accounting judgements

Recognition of revenue as principal or agent

The Directors consider that they act as a principal in transactions where the Group assumes the credit risk. Where this is via an agency arrangement and the Group assumes the credit risk for all billings it therefore recognises gross billings as revenue.

33. Financial risk management

The Group uses various financial instruments. These include loans, cash, issued equity investments and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

The main risks arising from the Group's financial instruments are market risk, cash flow interest rate risk, credit risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

Market risk

Market risk encompasses three types of risk, being currency risk, fair value interest rate risk and price risk. In this instance price risk has been ignored as it is not considered a material risk to the business. The Group's policies for managing fair value interest rate risk are considered along with those for managing cash flow interest rate risk and are set out in the subsection entitled "interest rate risk" below.

Currency risk

The Group is only minimally exposed to translation and transaction foreign exchange risk.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by closely managing the cash balance and by investing cash assets safely and profitably.

The Group policy throughout the period has been to ensure continuity of funding. Short-term flexibility is achieved by overdraft facilities.

The maturity of borrowings is set out in *note 16* to the consolidated financial statements.

Interest rate risk

The Group finances its operations through a mixture of retained profits and bank borrowings. The Directors' policy to manage interest rate fluctuations is to regularly review the costs of capital and the risks associated with each class of capital, and to maintain an appropriate mix between fixed and floating rate borrowings.

The interest rate exposure of the financial assets and liabilities of the Group is shown in the table below. The table includes trade receivables and payables as these do not attract interest and are therefore subject to fair value interest rate risk.

	2018 £'000	2017 £'000	2016 £'000
Financial assets:			
Floating interest rate:			
Cash	**632**	2,216	347
Zero interest rate:			
Trade receivables	**8,042**	8,856	8,328
	8,674	11,072	8,675
Financial liabilities:			
Floating interest rate:			
Overdrafts	**-**	-	-
Bank loans / revolving facility	**6,550**	5,750	5,675
Zero interest rate:			
Trade payables	**3,087**	3,665	1,952
	9,637	9,415	7,627

The bank loans contractual maturity is summarised below:	**2018 £'000**	2017 £'000	2016 £'000
Total due within one year	**1,268**	1,243	1,121
In more than one year but less than two years	**1,233**	1,012	1,085
In more than two years but less than three years	**604**	-	-
Total amount due	**3,105**	2,255	2,206

The above contractual maturities reflect the estimated gross cash flows, which differ from the carrying value at the balance sheet date.

Sensitivity to interest rate fluctuations

If the average interest rate payable on the net financial asset/net financial liabilities subject to a floating interest rate during the year had been 1% higher than reported on the average borrowings during the year, then profit before tax would have been £65,941 lower, and if the interest rate on these liabilities had been 1% lower, profit before tax would have improved by £65,941.

Credit risk

The Group's principal financial assets are cash and trade receivables. The credit risk associated with cash is limited, as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises, therefore, from the Group's trade receivables. In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The Company's customers are predominantly blue-chip companies with high credit ratings. The Company's credit control team have credit policies covering both trading transactions and balances with financial institutions.

The Directors consider that the Group's trade receivables were impaired for the year ended 31 March 2018 and a provision for £70,000 (2017: £96,000) has been provided accordingly. See *note 16* for further information on financial assets that are past due.

Summary of financial assets and liabilities by category

The carrying amount of financial assets and liabilities recognised at the balance sheet date of the reporting periods under review may also be categorised as follows:

	2018 £'000	2017 £'000	2016 £'000
Financial assets			
Loans and receivables			
Trade and other receivables	**8,191**	8,895	8,485
Cash and cash equivalents	**632**	2,216	347
	8,823	11,111	8,832
Financial liabilities:			
Current:			
Financial liabilities measured at amortised cost			
Borrowings	**(6,550)**	(5,750)	(5,675)
Trade and other payables	**(12,545)**	(14,610)	(8,072)
Provisions for liabilities	**(151)**	(173)	(167)
	(19,246)	(20,533)	(13,914)
Net financial assets and liabilities	**(10,423)**	(9,422)	(5,082)
Plant, property and equipment	**1,443**	1,095	744
Goodwill	**34,496**	33,722	30,446
Other intangible assets	**5,962**	7,230	6,562
Prepayments	**3,439**	2,309	1,580
Deferred tax	**124**	107	85
Taxation payable	**(249)**	(557)	(452)
Provisions for deferred tax	**(951)**	(1,229)	(1,387)
	44,264	42,677	37,578
Total equity	**33,841**	33,255	32,496

Capital management policies and procedures

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

This is achieved through close management of working capital and regular reviews of pricing. Decisions on whether to raise funding using debt or equity are made by the board based on the requirements of the business.

Capital for the reporting period under review is summarised as follows:

	2018 £'000	2017 £'000	2016 £'000
Total equity	**33,841**	33,255	32,496

34. Prior year adjustment

During the year, a brought forward adjustment was made to correct a client media spend provision held in the accounts. The reserves balance carried forward at 31 March 2016 has been reduced by £538k.

Company Financial Statements

Company profit and loss account

	Note	2018 £'000	2017 £'000
Turnover	1	**-**	-
Administrative expenses	2	**(5,796)**	(9,238)
Operating loss	3	**(5,796)**	(9,238)
Income from fixed asset investment		**6,240**	6,250
Interest receivable and similar income	4	**-**	1
Interest payable and similar charges	5	**(199)**	(197)
Profit / (loss) on ordinary activities before taxation		**245**	(3,184)
Taxation on ordinary activities	6	**119**	240
Profit / (loss) and total comprehensive income on ordinary activities after taxation	17	**364**	(2,944)

The accompanying notes to the parent Company Financial Statements form an integral part of these Financial Statements.

Company balance sheet

	Note	2018 £'000	2017 £'000
Fixed assets			
Tangible assets	*10*	**417**	307
Investments	*11*	**58,847**	57,807
		59,264	58,114
Current assets			
Debtors due < 1 year	*12*	**2,250**	2,030
		2,250	2,030
Current liabilities			
Creditors: amounts falling due within one year	*13*	**(14,495)**	(14,523)
Total assets less current liabilities		**47,019**	45,621
Non current liabilities			
Creditors: amounts falling due after more than one year	*14*	**(1,800)**	(2,313)
Net assets		**45,219**	43,308
Capital and reserves			
Called up share capital	*16*	**34,992**	34,657
Share premium account		**10,088**	9,108
Treasury shares	*18*	**(25)**	(25)
Share option reserve		**736**	504
Capital redemption reserve	*17*	**125**	125
Profit and loss account		**(697)**	(1,061)
Equity shareholders' funds		**45,219**	43,308

The financial statements were approved by the Board of Directors and authorised for issue on 9th July 2018.

Signed on behalf of the board of Directors:

Michael Sprot
Director
Jaywing plc

The accompanying notes to the parent Company financial statements form an integral part of these financial statements.

Company statement of changes in equity

	Called-up share capital £'000	Share premium account £'000	Treasury shares £'000	Share option reserve £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
At 1 April 2016	34,139	6,608	(25)	146	125	1,883	42,876
Share based payment charge	–	–	–	358	–	–	358
Issue of share capital	518	2,500	–	–	–	–	3,018
Transactions with owners	518	2,500	–	358	–	–	3,376
Profit for the year and total other comprehensive income	–	–	–	–	–	(2,944)	(2,944)
Total comprehensive income	518	2,500	–	358	–	(2,944)	432
At 31 March 2017	**34,657**	**9,108**	**(25)**	**504**	**125**	**(1,061)**	**43,308**
At 1 April 2017	34,657	9,108	(25)	504	125	(1,061)	43,308
Share based payment charge	–	–	–	232	–	–	232
Issue of share capital	335	980	–	–	–	–	1,315
Transactions with owners	335	980	–	232	–	–	1,547
Profit for the year and total other comprehensive income	–	–	–	–	–	364	364
Total comprehensive income	335	980	–	232	–	364	1,911
At 31 March 2018	**34,992**	**10,088**	**(25)**	**736**	**125**	**(697)**	**45,219**

Notes to the Parent Company Financial Statements

1. Accounting policies

Jaywing plc is incorporated in England.

Statement of compliance

These financial statements have been prepared in accordance with applicable accounting standards and in accordance with Financial Reporting Standard 101 – 'The Reduced Disclosure Framework' (FRS 101). The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have all been applied consistently throughout the year unless otherwise stated.

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Sterling (£) and have been presented in round thousands (£'000).

Going concern

After reviewing the Company's forecasts and projections, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

1. A statement of cash flows and related notes
2. The requirement to produce a balance sheet at the beginning of the earliest comparative period
3. The requirements of IAS 24 related party disclosures to disclose related party transactions entered into between two or more members of the Group as they are wholly owned within the Group
4. Presentation of comparative reconciliations for property, plant and equipment, intangible assets
5. Capital management disclosures
6. Presentation of comparative reconciliation of the number of shares outstanding at the beginning and at the end of the period
7. The effect of future accounting standards not adopted
8. Certain share-based payment disclosures
9. Disclosures in relation to impairment of assets
10. Disclosures in respect of financial instruments (other than disclosures required as a result of recording financial instruments at fair value)

Investments in subsidiaries, associates and joint ventures

Investments in subsidiary undertakings, associates and joint ventures are stated at cost less any applicable provision for impairment.

Tangible assets

Property plant and equipment (PPE) is initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management.

Other PPE

PPE is subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised on a straight-line basis (unless otherwise stated) to write down the cost less estimated residual value of PPE. The following useful lives are applied:

- Fixtures, fittings and equipment: 2-5 years

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

Financial instruments - recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial instruments - classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- loans and receivables

There are no financial assets that have been designated as held to maturity, available for sale or fair value through profit or loss.

All financial assets except for those at FVTPL are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial instruments – loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade debtors and other debtors fall into this category of financial instrument.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of the counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Financial instruments – classification and subsequent measurement of financial liabilities

The Company's financial liabilities include borrowings, trade creditors and other creditors.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

Cash and cash equivalents
Cash comprises cash on hand and demand deposits, which is presented as cash at bank and in hand in the Balance Sheet.

Cash equivalents comprise short-term, highly-liquid investments with maturities of three months or less from inception that are readily convertible into known amounts of cash and that are subject to an insignificant risk of changes in value. Cash equivalents are presented as part of current asset investments in the Balance Sheet.

Operating leases
Where the Company is a lessee, payments made under an operating lease agreement are recognised as an expense on a straight-line basis over the lease term.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

Financial guarantees
Financial guarantees in respect of the borrowings of fellow group companies are not regarded as insurance contracts. They are recognised at fair value and are subsequently measured at the higher of:

- the amount that would be required to be provided under IAS 37 (see policy on provisions below); and
- the amount of any proceeds received net of amortisation recognised as income

Provisions, contingent assets and contingent liabilities
Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring exists and management has either communicated the plan's main features to those affected or started implementation. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Where the time value of money is material, provisions are discounted to their present values, using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the liability.

Any reimbursement that is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

Holiday pay
A provision for annual leave accrued by employees as a result of services rendered, and which employees are entitled to carry forward and use within the next 12 months, is recognised in the current period. The provision is measured at the salary cost payable for the period of absence.

Equity, reserves and dividend payments
Financial instruments issued by the Company are classified as equity, only to the extent that they do not meet the definition of a financial liability or financial asset.

The Company's ordinary shares are classified as equity. Transaction costs on the issue of shares are deducted from the share premium account arising on that issue. Dividends on the Company's ordinary shares are recognised directly in equity.

Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced in relation to work undertaken during the year.

Turnover is the revenue arising from the sale of services. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts.

Revenue is recognised in accordance with the stage of completion of contractual obligations to the customer. The stage of completion is ascertained by assessing the fair value of the services provided to the balance sheet date as a proportion of the total fair value of the contract. Losses on contracts are recognised in the period in which the loss first becomes foreseeable.

Revenue – other revenue streams

Interest receivable
Interest receivable is reported on an accrual basis using the effective interest method.

Dividends receivable
Dividends are recognised at the time the right to receive payment is established.

Operating expenses
Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

Foreign currency translation
Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined. Where a gain or loss on a non-monetary item is recognised in other comprehensive income, the foreign exchange component of that gain or loss is also recognised in other comprehensive income.

Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Calculation of deferred tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period that are expected to apply when the asset is realised or the liability is settled.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover the related asset or settle the related obligation.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax assets are not discounted.

Deferred tax liabilities are generally recognised in full with the exception of the following:

- on the initial recognition of goodwill on investments in subsidiaries where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future on the initial recognition of a transaction that is not a business combination and at the time of the transaction affects neither accounting or taxable profit

Deferred tax liabilities are not discounted.

Post-employment benefits and short-term employee benefits

Short-term employee benefits
Short-term employee benefits including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at undiscounted amount that the Company expects to pay as a result of unused entitlement.

Post-employment benefit plans
Contributions to defined contribution pension schemes are charged to profit or loss in the year to which they relate. Prepaid contributions are recognised as an asset. Unpaid contributions are reflected as a liability.

Share-based payments
Where equity settled share options are awarded by the parent company to employees of this Company, the fair value of the options at the date of grant is charged to profit or loss over the vesting period with a corresponding entry in retained earnings.

Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest.

Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition, or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive income over the remaining vesting period.

Recharges from the parent company for the use of options over the parent company shares are deducted from equity.

Profit from operations

Profit from operations comprises the results of the Company before interest receivable and similar income, interest payable and similar charges, corporation tax and deferred tax.

Exceptional items
Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

Significant judgement in applying accounting policies and key estimation uncertainty
When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement
The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Capitalisation of internally developed software
Distinguishing the research and development phases of a new customised software project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Useful lives of depreciable assets
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Valuation of investments
Management reviews the carrying value of investments at each reporting date, based on the future cashflows of those investments.

2. Other operating charges

	2018 £'000	2017 £'000
Share-based payment charge	**154**	829
Related National Insurance charge	**(17)**	70
Impairment of carrying value of investment	**-**	4,247
Administrative expenses	**5,659**	4,092
Total administrative expenses	**5,796**	9,238

100% of turnover arose in the United Kingdom (2017: 100%).

3. Operating loss

Operating loss is stated after charging:	2018 £'000	2017 £'000
Depreciation of owned fixed assets	**102**	46

4. Other interest receivable and similar income

	2018 £'000	2017 £'000
Interest receivable and similar income	**-**	1

5. Other interest payable and similar charges

	2018 £'000	2017 £'000
Bank interest payable	**189**	191
Finance charge on acquisition	**10**	6
Total	**199**	197

6. Tax on ordinary activities

The tax charge is based on the profit for the year and represents:	**2018 £'000**	2017 £'000
UK corporation tax at 19% (2017: 20%)	**1,096**	982
Adjustment in respect of prior period	**(981)**	(740)
Total current tax	**115**	242
Deferred tax:		
Origination and reversal of timing differences	**4**	(2)
Prior year adjustment	**-**	-
	119	240

The tax credit can be explained as follows:	**2018 £'000**	2017 £'000
(Loss) / profit before tax	**245**	(3,184)
Tax using the UK corporation tax rate of 19% (2017: 20%)	**47**	(637)
Effect of:		
Expenses not deductible for tax		
Non-taxable income	**(909)**	137
Other	**-**	-
Prior year adjustment	**981**	740
Current year credit	**119**	240

7. Auditor's remuneration

Details of remuneration paid to the auditor by the Company are shown in *note 8* to the consolidated financial statements.

8. Directors and employees

	2018 £'000	2017 £'000
Average number of staff employed by the Company	**36**	32
Aggregate emoluments (including those of Directors):		
Wages and salaries	**3,286**	2,322
Social security costs	**393**	247
Pension contribution	**163**	130
Share based payment charge	**137**	899
Total emoluments	**3,979**	3,598

Further information in respect of Directors is given in the Directors' Remuneration table on *page 23*.

Remuneration in respect of Directors was as follows:

	2018 £'000	2017 £'000
Emoluments receivable	**1,191**	944
Fees paid to third parties for Directors' services	**3**	40
Company pension contributions to money purchase pension schemes	**112**	150
	1,306	1,134

During the current period and the prior year there were no benefits accruing to Directors in respect of the defined contribution pension scheme.

The highest paid Director received remuneration of £346,000. (2017: £277,000).

9. Dividends

The Directors do not recommend the payment of a dividend for the current year (2017: £Nil).

10. Tangible fixed assets

	Leasehold Improvements £'000	Fixtures & fittings £'000	Total £'000
Cost at 1 April 2017	189	221	410
Additions	200	12	212
Cost at 31 March 2018	**389**	**233**	**622**
Depreciation at 1 April 2017	-	103	103
Charge for the year	40	62	102
Depreciation at 31 March 2018	**40**	**165**	**205**
Net book value at 31 March 2018	**349**	**68**	**417**
Net book value at 31 March 2017	189	118	307

11. Investments

	Subsidiaries £'000
Cost at 1 April 2017	57,807
Acquisitions	1,040
Capital contribution for share option scheme	65
Recharge of capital contribution from group companies	(65)
Cost as at 31 March 2018	**58,847**

The Company has carried out an impairment review of the carrying amount of the investments in subsidiaries. The impairment review of investments was performed using the same cash flows and assumptions as were used in the Group's financial statements for the impairment review of goodwill, details of which can be found in *note 14* in the Group's financial statements. This review has concluded that the carrying value of the Company's investments is impaired by £Nil (2017: £4,247,000).

At 31 March 2018, the Company held either directly or indirectly, 20% or more of the allotted share capital of the following companies:

	Class of share capital held	Proportion held By parent Company	Proportion held By the Group	Nature of Business
Alphanumeric Group Holdings Limited	Ordinary	100%	100%	Dormant
Alphanumeric Holdings Limited	Ordinary	-	100%	Dormant
Alphanumeric Limited	Ordinary	100%	100%	Data services & consultancy
Bloom Media (UK) Limited	Ordinary	100%	100%	Agency services
Dig for Fire Limited	Ordinary	-	100%	Dormant
Digital Marketing Group Limited	Ordinary	100%	100%	Dormant
Digital Marketing Group Services Limited	Ordinary	100%	100%	Dormant
Digital Marketing Network Limited	Ordinary	100%	100%	Dormant
Digital Media and Analytics Limited	Ordinary	100%	100%	Dormant
DMG Central Limited	Ordinary	-	100%	Dormant
DMG London Limited	Ordinary	100%	100%	Dormant
Epiphany Solutions Limited	Ordinary	100%	100%	Search Engine Optimisation
Epiphany Solutions PTY Limited	Ordinary	-	100%	Search Engine Optimisation
Frank Digital PTY Limited	Ordinary	75%	75%	Website design and build
Gasbox Limited	Ordinary	100%	100%	Direct marketing
Graphico New Media Limited	Ordinary	100%	100%	Dormant
Head Offfice Limited	Ordinary	-	100%	Dormant
HSM Limited	Ordinary	100%	100%	Online marketing & media, direct marketing
Hyperlaunch New Media Limited	Ordinary	100%	100%	Dormant
Inbox Media Limited	Ordinary	-	100%	Dormant
Iris Associates Limited	Ordinary	-	100%	Dormant
ISIS Direct Limited	Ordinary	-	100%	Dormant
Jaywing Central Limited	Ordinary	100%	100%	Online marketing & media
Jaywing Information Limited	Ordinary	100%	100%	Dormant
Jaywing Innovation Limited	Ordinary	75%	75%	Product development
Jaywing North Limited	Ordinary	100%	100%	Dormant
Junction Brand Communication Limited	Ordinary	-	100%	Dormant
Massive Group PTY Limited	Ordinary	75%	75%	Search Engine Optimisation
Prodant Limited	Ordinary	-	100%	Dormant
Scope Creative Marketing Limited	Ordinary	100%	100%	Direct marketing
Shackleton PR Limited	Ordinary	-	100%	Online PR
The Comms Department Limited	Ordinary	-	100%	Social Communication
Woken Limited	Ordinary	-	100%	Dormant

The Comms Department Limited is exempt from the requirement of the Companies Act relating to the audit of individual financial statements by virtue of s479A of the Companies Act 2006.

All the companies listed above have been consolidated.

All the companies listed above are incorporated in England and Wales with the following exceptions:

Company	**Country of Incorporation**
Epiphany Solutions PTY Limited	Australia
Frank Digital PTY Limited	Australia
Massive Group PTY Limited	Australia

12. Debtors due within 1 year

	2018 £'000	2017 £'000
Amounts due from Group undertakings	**419**	391
Prepayments and accrued income	**158**	163
Other taxation and social security	**577**	494
Corporation tax	**1,096**	982
	2,250	2,030

13. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Bank loans and overdrafts (*note 15*)	**9,995**	10,124
Trade creditors	**352**	131
Amounts owed to Group undertakings	**1,803**	765
Other taxation and social security	**90**	75
Other creditors	**10**	10
Accruals and deferred income	**826**	1,187
Deferred tax	**2**	6
Deferred consideration payable on acquisition of subsidiary undertakings	**1,417**	2,225
	14,495	14,523

14. Creditors: amounts falling due in more than one year

	2018 £'000	2017 £'000
Bank loan	**1,800**	1,000
Deferred consideration payable on acquisition of subsidiary undertakings	**-**	1,313
	1,800	2,313

15. Borrowings

	2018 £'000	2017 £'000
Summary:		
Bank overdraft	**5,245**	5,374
Bank loans	**6,550**	5,750
	11,795	11,124

Borrowings are repayable as follows:	2018 £'000	2017 £'000
Within one year:		
Bank overdraft	**5,245**	5,374
Bank loans	**4,750**	4,750
Total due within one year	**9,995**	10,124
Bank loans:		
In more than one year but less than two years:	**1,200**	1,000
In more than two years:	**600**	-
Total due in more than one year:	**1,800**	1,000

16. Share capital

Allotted, issued and fully paid:

	45p deferred shares Number	5p ordinary shares Number	£'000
At 31 March 2017	67,378,520	86,709,898	34,657
Issue of share capital	-	6,536,450	326
Issue of share options	-	185,869	9
At 31 March 2018	**67,378,520**	**93,432,217**	**34,992**

The 5 pence ordinary shares have the same rights (including voting and dividend rights and rights on a return of capital) as the previous 50 pence ordinary shares. Holders of the 45 pence deferred shares do not have any right to receive notice of any general meeting of the Company or any right to attend, speak or vote at any such meeting. The deferred share holders are not entitled to receive any dividend or other distribution and shall on a return of assets in a winding up of the Company entitle the holders only to the repayment of the amounts paid up on the shares after the amount paid to the holders of the new ordinary shares exceeds £1,000,000 per new ordinary share. The deferred shares will also be incapable of transfer and no share certificates will be issued in respect of them.

17. Reserves

Called-up share capital – represents the nominal value of shares that have been issued.

Share premium account – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account – includes all current and prior period retained profits and losses.

Share option reserve – fair value charge for share options in issue.

Treasury shares – shares in the company that have been acquired by the company.

Capital redemption reserve – represents amounts transferred from share capital on redemption of issued shares.

18. Treasury shares

	2018 £'000	2017 £'000
At 31 March 2018 and 31 March 2017	**25**	25

19. Share-based payments

Share-based payment charge is as follows:	**2018 £'000**	2017 £'000
Share- based payment	**154**	829
Related National Insurance costs	**(17)**	70
	137	899

Details of the share options issued and the basis of calculation of the share-based payments, which all relate to share options granted, are given in *note 11* to the consolidated financial statements.

20. Provision for liabilities

	Deferred tax (*note* 6) £'000
At 1 April 2017	**6**
Amounts of deferred tax recognised in profit or loss	**(4)**
At 31 March 2018	**2**

21. Commitments under operating leases

At 31 March 2018, the company had aggregate annual commitments under non-cancellable operating leases as set out below:

Land and buildings	**2018 £'000**	2017 £'000
Operating leases which expire:		
Within one year	**168**	168
Within two to five years	**673**	673
After five years	**631**	798
	1,472	1,639

22. Contingent liabilities

There is a cross guarantee between members of the Jaywing plc group of companies on all bank overdrafts and bank borrowings with Barclays Bank plc. At 31 March 2018, the amount thus guaranteed by the Company was £Nil (2017: £Nil).

23. Related parties

The Company is exempt from the requirements to FRS 101 to disclose transactions with other 100% members of the Jaywing plc group of companies.

Transactions with other related parties are disclosed in *note 31* to the consolidated financial statements.

24. Financial risk management objectives and policies

Details of Group policies are set out in *note 33* to the consolidated financial statements.

25. Retirement benefits

Defined Contribution Schemes

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £163,000 (2017: £130,000).

26. Share-based payments

Employees of the Company are entitled to participate in an equity and cash-settled share option scheme operated by the Company's ultimate parent company Jaywing plc.

The options are granted with a fixed exercise price and have a vesting period of up to two years. The vesting conditions relate to the performance of Epiphany Solutions Ltd and the overall Jaywing plc group during the vesting period. There are no other market conditions attached to the share options.

The number of options outstanding at the end of the year in respect of Company employees were 6,126,322 (2017: 5,168,226).

No share options were exercised during the year. The exercise prices for share options outstanding was 5p (2017: 5p). The remaining contractual life of the share options was two years (2017: two years).

Shareholder Information

Annual General Meeting

The 2018 Annual General Meeting will be held on Tuesday 11 September 2018 at Cenkos Securities. 6.7.8. Tokenhouse Yard, London EC2R 7AS at 11am.

Results

Announcement of half year results to 30 September 2018 – November 2018.

Preliminary announcement of the annual results for the year ending 31 March 2019 – early July 2019.

Dividend

There is no dividend payable.

Multiple accounts on the shareholder register

If you have received two or more copies of this document, this means that there is more than one account in your name on the shareholders register. This may be caused by either your name or address appearing on each account in a slightly different way. For security reasons, the Registrars will not amalgamate the account without your written consent, so if you would like any multiple accounts combined into one account, please write to Link Asset Services at the address given below.

Documents

The following documents, which are available for inspection during normal business hours at the registered office of the Company on any weekday (Saturdays, Sundays and public holidays excluded), will also be available for inspection at the place of the AGM from at least 15 minutes prior to the meeting until its conclusion.

- Copies of the Executive Directors' service agreements and the Non-executive Directors' letters of appointment;
- The memorandum and articles of association of the Company; and
- Register of Directors' interests in the share capital of the Company maintained under Section 809 of the Companies Act 2006.

Particulars of the Directors' interest in shares are given in the Remuneration Report which is contained in the Report and accounts for the year ended 31 March 2018.

Issued Share Capital

As at 9 July 2018 (being the last practicable date before the publication of this document), the Company's issued share capital comprised 93,432,217 ordinary shares of 5p each, of which 99,622 are held in Treasury. Therefore, as at 9 July 2018, the total voting rights in the Company were 93,432,217. On a vote by show of hands, every member who is present in person or by proxy has one vote. On a poll, every member who is present in person or by proxy has one vote for every ordinary share of which he or she is a holder.

Share dealing services

To purchase or sell shares in Jaywing plc visit www.linksharedeal.com or call 0371 664 0445. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 08:00 - 16:30, Monday to Friday excluding public holidays in England and Wales). This is not a recommendation to buy and sell shares and this service may not be suitable for all shareholders. The price of shares can go down as well as up and you are not guaranteed to get back the amount you originally invested. Terms, conditions and risks apply. Link Asset Services is a trading name of Link Market Services Trustees Limited which is authorised and regulated by the Financial Conduct Authority. This service is only available to private shareholders resident in the European Economic Area, the Channel Islands or the Isle of Man.

Shareholder enquiries

Link Asset Services maintains the register of members of the Company. If you have any queries concerning your shareholding, or if any of your details change, please contact the Registrars:

Link Asset Services
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
HD8 0GA

Shareholder Helpline:
0871 664 0300
(calls cost 10p per minute plus network extras)
Fax: 01484 606484.

Textphone for shareholders with hearing difficulties: 0871 664 0532 (calls cost 10p per minute plus network extras)

Capita Registrars also offer a range of shareholder information online at www.capitaregistrars.com.

Website

Information on the Group is available at *investors.jaywing.com*.

JAYWING

0333 370 6500 hello@jaywing.com jaywing.com

SHEFFIELD
Albert Works
71 Sidney Street
Sheffield S1 4RG

LONDON
Room 1.01
Platform 1
King's Cross
London N1C 4AX

NEWBURY
Albion House
27 Oxford Street
Newbury RG14 1JG

SWINDON
Arclite House
Century Road
Peatmoor
Swindon SN5 5YN

LEEDS
The Small Mill
Chadwick Street
Leeds LS10 1LJ

SYDNEY
Suite 301
2 Elizabeth Plaza
North Sydney NSW 2060
Australia